

Disruptive Investment Group Limited

ABN 20 108 958 274

Consolidated annual report for the financial year
ended 30 June 2015

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for the financial year ended 30 June 2015

Corporate Directory

Directors

Dr Adir Shiffman	(Non - Executive Chairman)
Mr John Kolenda	(Non - Executive Director)
Mr Kar Wing (Calvin) Ng	(Non - Executive Director)
Mr Andrew Jensen	(Non - Executive Director)

Company Secretary

Mr Anand Sundaraj

Auditors

Stantons International
Level 2
1 Walker Avenue
West Perth WA 6005

Solicitors

Whittens & McKeough
Level 5
137 – 139 Bathurst Street
Sydney NSW 2000

Bankers

Commonwealth Bank of Australia
83/87 Market Street
Sydney
NSW AUSTRALIA 2000

Registered Office

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137 – 139 Bathurst Street
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NSW AUSTRALIA 2000

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Share Registry

Link Market Services Limited
Ground floor, 178 St Georges Terrace
Perth WA AUSTRALIA 6000

Stock Exchange Listing

The company's shares are listed and quoted on the Australian Securities Exchange Limited ("ASX")

Home Exchange: Sydney, New South Wales

ASX Code: DVI

Web Site: www.disruptive.net.au

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Corporate Governance Statement

DISRUPTIVE INVESTMENT GROUP LIMITED (ABN 20 108 958 274)

This Corporate Governance Statement sets out Disruptive Investment Group Limited's (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, the Company is required to provide a statement in its annual reports disclosing the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 30 June 2015 and has been approved by the board of the Company (**Board**).

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1.	Lay Solid Foundations for Management and Oversight		
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	Yes	<p>The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:</p> <p>(a) maintain and increase Shareholder value;</p> <p>(b) ensure a prudential and ethical basis for the Company's conduct and activities; and</p> <p>(c) ensure compliance with the Company's legal and regulatory objectives</p> <p>Consistent with these goals, Board assumes the following responsibilities:</p> <p>(a) developing initiatives for profit and asset growth;</p> <p>(b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;</p> <p>(c) acting on behalf of, and being accountable to, the shareholders; and</p> <p>(d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.</p> <p>The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully informed basis.</p> <p>The Company intends to regularly review the balance of responsibilities between the Board and management to ensure that the division of functions remains appropriate to the needs of the Company.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	Yes	<p>The Company undertakes backgrounds checks with regards to the person's character, experience, education, criminal record and bankruptcy history prior to nomination for election as a director. Any material adverse information revealed by these checks is released to security holders prior to the General Meeting at which they are able to be elected.</p> <p>When an individual is nominated to be a director, their curriculum vitae with their relevant professional history and qualifications is circulated to the security holders in the Company.</p>

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Directors are given letters of appointment and/or service agreements. As noted previously there are no senior executives.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Company Secretary is directly accountable to the Board on all matters relating to the proper functioning of the Board.
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	No	<p>The Company, at its current size and stage of development, has not found it necessary to create a diversity policy or to annually report on measurable objectives with respect to gender diversity.</p> <p>As the Company develops, the Board intends to review its practices, and if deemed necessary in the future, the Board may consider adopting a policy.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>No</p> <p>No</p>	The Company has not found it necessary to disclose the process for evaluating Board performance. However, a performance evaluation is undertaken by the chairman against agreed key performance indicators and reported to the Board. In the case of the chairman, performance evaluation will be undertaken by the Board against agreed key performance indicators with the chairman excusing himself or herself from such discussion and not participating in any vote or resolution on the issue.

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	No	<p>The Company because of its current size and stage of development has no senior executives. Accordingly, no process for evaluating the performance of senior executives exists.</p> <p>As the Company develops, and begins to employ senior executives, the Board may consider whether such processes for performance evaluation should be adopted.</p>
2	Structure the Board to Add Value		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	No	<p>Given the Company's current size and stage of development, no formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership</p> <p>The Board has adopted an informal assessment process, facilitated by the chairman in consultation with the Company's professional advisers (if required) to address succession issues and to ensure that the board has the appropriate balance of skills, knowledge and experience to discharge its duties.</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	No	<p>The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate for the Company and its business. The Board believes that a board skills matrix is not required given the stage of development of the Company. The Board will continue to monitor whether it will be appropriate for the Company to adopt a board skills matrix as the Company continues to develop.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the</p>	No	<p>The Company has disclosed the details of the directors in the 2015 Annual Report. Information with respect to potential issues of independence may be disclosed to the market but no formal policy exists to ensure such disclosure.</p>

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
	<p>type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>		
2.4	A majority of the board of a listed entity should be independent directors.	No	<p>The Board has reviewed the position and associations of each of the four directors in office and has determined that none of the directors are independent. In making this determination the Board has had regard to the independence criteria in the ASX Principles and Recommendations and other facts, information and circumstances that the Board considers relevant.</p> <p>The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of the other directors, as appropriate.</p>
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	The Company's current Chairman, Dr Adir Shiffman, does not satisfy the ASX Principles and Recommendations definition of an independent director. However, the Board considers Mr Shiffman's role as Chairman essential to the success of the Company. Mr Shiffman does not exercise the role of CEO.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	No	<p>The Company does not have a formal induction program for new directors.</p> <p>Nevertheless, the Company takes care in ensuring that directors will be able to effectively manage and govern the Company before their nomination as potential directors.</p>
3	Act Ethically and Responsibly		
3.1	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	No	<p>The Board, considering its current size and stage of development, has not adopt a code of conduct for its directors, senior executives and employees.</p> <p>As the Company develops, the Board intends to review its practices, and if deemed necessary, establish an appropriate code of conduct.</p>
4	Safeguard Integrity in Corporate Reporting		
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p>	No	<p>The Company, considering its current size and stage of development, does not have a separately constituted audit committee.</p> <p>The Company in general meetings is responsible for the appointment of external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.</p>

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
	<p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	No	The Company does not currently have a CEO or CFO.
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	An external auditor will be present at the AGM and be available to answer questions from security holders relevant to the audit.
5	Make Timely and Balanced Disclosure		
5.1	<p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	No	<p>The Company, due to its current size and stage of development, does not have a written policy for complying with its continuous disclosure obligations under the ASX Listing Rules.</p> <p>The Company is committed to providing timely, complete and accurate disclosure of information to allow a fair, and well-informed market in its securities and compliance with the continuous disclosure requirements imposed by law, including the Corporations Act and the ASX Listing Rules.</p>
6	Respect the Rights of Security Holders		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company provides information about itself and its ASX announcements (including its corporate governance policies) to investors via

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
			the website www.disruptive.net.au . The website contains all relevant information about the Company and is regularly updated.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	No	The Company has no investor relations program in place, but ensures that all material information is conveyed to its investors so as to facilitate communication.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	No	Although the Company does not have a formal communications policy in place, all material matters will be disclosed to the market in accordance with the ASX Listing Rules.
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Company encourages shareholders to register for receipt of announcements and updates electronically.
7	Recognise and Manage Risk		
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	No	<p>The Company, due to its size and current stage of development, does not have a separately constituted risk committee. As the Company develops, the Board intends to review its practices, and if deemed necessary, establish a risk committee.</p> <p>The Board is currently responsible for the oversight and management of all material business risks. The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation as Board Meetings.</p> <p>The risk profile can be expected to change and procedures adapted as the Company develops and it grows in size and complexity.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	No	The Board annually reviews and approves the risk management framework of the Company. However, the Board does not consider that disclosure of when these reviews takes place is necessary.
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p>	No	The Company does not have an internal audit function, and does not disclose the processes it uses to improve risk management. Nonetheless, it remains committed to effective management and the control of these factors.

	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
	(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.		
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	All material risks are announced to the market, in accordance with the requirements of the ASX Listing Rules and otherwise.
8	Remunerate Fairly and Responsibly		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	No	<p>The Company does not have in place a separately constituted remuneration committee due to the size of current operations of the Company.</p> <p>Total maximum remuneration of non-executive directors is currently set at \$500,000. Any increases will be the subject of a shareholder resolution in accordance with the Company's constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of a non-executive director's remuneration within that maximum amount will be made by the Board, having regard to the inputs and value to the Company of the respective contributions by each non-executive director.</p> <p>The Board may award additional remuneration to non-executive directors called upon to perform extra services or make special exertions on behalf of the Company.</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	No	The Company has not deemed it necessary to separately disclose its remuneration policies.
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	No	Although the Company does not have a formal policy, the Company has a securities trading policy that restricts the trading of the Company's securities by those who receive equity based remuneration.

The Directors of Disruptive Investment Group Limited (the “**Company**” or “**DVI**”) submit herewith the consolidated financial statements of the company for the financial year ended 30 June 2015. In order to comply with provisions of the Corporations Act 2001, the Directors report as follows.

Officers and Directors

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Name	Particulars
Mr John Kolenda	Non-Executive Director
Dr Adir Shiffman	Non-Executive Director
Mr Calvin Ng	Non-Executive Director
Mr Andrew Jensen	Non-Executive Director (appointed 12 September 2014)

The above named Directors held office during and since the financial year, except as otherwise indicated.

Ongoing Operations

This year was a transformative one for DVI, taking the first steps in the realisation of our clearly articulated strategy:

- partnering with quality founders running quality businesses; and
- using DVI’s resources and expertise to accelerate growth.

During FY15, the Company became a significant shareholder in two growing Australian technology companies:

1. Professional Performance Systems Pty Ltd (“**PPS**”), owner and operator of BYOjet group; and
2. Find Solutions Australia Pty Ltd (“**FSA**”), owner and operator of iBuyNew.com.au.

DVI group recorded a net (loss) of (\$108.6k) during FY15. The result reflects an income of \$109k generated from DVI’s (former) direct subsidiary Disruptive Opportunities No.1 Pty Ltd (“**DON1**”) before its merger with PPS, other income \$35.8k and positive gain on the disposal of DON1 to PPS \$875k. Expenses were heavily impacted by transaction costs however, employee and operating expenses were materially lower than FY14 due to the disposal of DON1 as part of the PPS transaction. At the time both investments were made, DVI adopted the equity accounting method which resulted in a negative contribution of (\$297k).

Further, DVI’s net tangible assets (“**NTA**”) rose to 0.78c from 0.46c in FY14 as a result of three successful placements and carrying value of investments in two profitable businesses. DVI’s net cash position remains strong at \$1.895 million at 30 June 2015, but has since reduced by \$750k due to the purchase of another 25% in FSA on 13 July 2015 (taking the Company’s stake in FSA to 50%).

On 24 September 2014 the Company announced that it has been successful in expanding its online travel offering through an investment in PPS. As part of the transaction, PPS acquired the Company’s subsidiary DON1, the effect being that following the transaction DON1 was no longer consolidated under DVI’s accounts. As part of the acquisition, DVI received a notional valuation of \$1.05 million in PPS scrip and also provided a \$1.5m senior secured convertible note facility which has since been fully drawn. DVI Non-Executive Directors Mr Andrew Jensen and Mr Calvin Ng joined the PPS board of directors.

DVI currently owns 38.73% of the equity in PPS (obtained in part via the scrip for scrip merger of PPS with DON1), as well as the right to increase DVI’s equity interest in PPS to 54.69% via the conversion of \$1.5m of convertible notes that DVI currently holds. No additional monies are payable by DVI in order to move to 54.69% of the equity in PPS, if the convertible note is converted, should this occur PPS’s accounts will be subsequently consolidated into DVI’s financial reporting.

The PPS deal brought together a hotel booking platform with rare direct hotel relationships, with one of Australia’s leading online travel agents built on a proprietary technology platform. The PPS group now also boasts a customer database featuring approximately 483,000 travel consumers on an unaudited basis.

While online travel is a globally competitive business, our investment thesis is that a profitable and growing business can be created by combining a unique technology platform, access to direct hotel inventory, and a highly experienced and motivated senior team closing exclusive relationships. In the past six months, PPS’s results have supported this thesis. Three of the past six months achieved all-time record sales and DVI’s Board expects the benefits of offering direct hotels deals are still to come.

Separately, during the financial year DVI entered into an agreement to acquire up to 100% of one of Australia's leading online off-the-plan property marketplaces called iBuyNew.com.au, operated by FSA. iBuyNew.com.au is an online marketplace that allows prospective buyers of off-the-plan properties to search and compare more than 2,200 properties online, using a variety of online filters and tools, and then request more information. Unlike lead generation businesses that simply pass over internet enquiries to an unrelated third party, iBuyNew's own sales consultants actively help the buyer through all aspects of the decision, from selecting the property that's right for them, through to contract exchange, settlement and beyond.

This transaction followed more than three years of informal discussions and guidance provided to Mark Mendel, the founder and CEO of FSA. Over this period DVI's Board became increasingly confident of the business' potential and growth prospects.

The transaction itself took place in several stages. On 19 December 2014, the Company executed a non-binding agreement to acquire up to 100% in FSA in various stages. On 30 April 2015 the Company announced the successful completion of a 25% investment in FSA. Subsequently, on 13 July 2015 the Company exercised its option to acquire an additional 25% bringing its total investment to 50% ownership, and as such the investment will be consolidated onto DVI's financial reporting in future financial years.

As at 31 August 2015 DVI owns a 50% stake in FSA. DVI holds another option to acquire the remaining 50% of FSA for a price dependent on the growth and earnings delivered by FSA. This option is exercisable between 1 July 2019 and 30 October 2019.

Following the acquisition of equity in FSA, DVI Non-Executive Chairman Dr Adir Shiffman and DVI Non-Executive Director Mr John Kolenda both joined the Board of Directors of FSA.

In conclusion, the Directors of DVI are extremely pleased with the progress made over the past 12 months and believe the Company is well positioned to continue its exciting growth into 2016 and beyond.

PPS – Ongoing Travel Operations

Following DVI's investment in PPS and the merger of DON1 entities during the first half of FY15, management focus has remained on achieving profitability and further growth. Committed to driving its technology as a revenue generator, the business identified and actioned a number of core items thus setting a solid foundation for the second half of the year.

Shortly after DVI's investment, management started reducing costs through a restructure of non-core, loss-making business operations such as retail kiosks. The restructure resulted in PPS writing down its previous investment during the first half of FY15 and refocusing the business on becoming a technology leader in the online travel space.

Over the 9 months following the merger of PPS and DON1 the combined business reported a net (loss) of (\$813k), revenue of \$4.8 million and operating EBITDA of (\$32k) which included normalisations for the costs of shutting down the retail operations, related impairments and other income relating to government grants (R&D).

Pleasingly, as a result of the restructure during the December 2014 quarter, PPS reported strong results in the second half of FY15, with a net profit of \$242k, revenue of \$3.4 million and operating EBITDA of \$1.29 million.

PPS's earlier investments in its technology, partnerships and the move to concentrate solely online and target niche and profitable markets produced a record total transaction value ("**TTV**") of \$92.4 million on an unaudited basis, representing an 11% increase from FY14.

During the year, the technical integration of Check-in Hotels onto the JETMAX platform was completed, eliminating duplicate services. Check-in's operations were relocated to BYOjet's premises in Queensland to reduce costs. Synergies from the merger including the ability to cross-sell flights, hotel and ancillary services were extracted to increase gross profit per transaction and enable platforms such as Make an Offer. The merger streamlined processes and enabled the operation to reduce costs across all areas of the business. BYOjet's bricks and mortar stores were discontinued and this allowed the business to focus on:

- Launch of the JETMAX white label platform – a business-to-business ("**B2B**") software as a service ("**SaaS**") model offering a suite of online travel solutions with 22 live sites, 5 in deployment and 36 in contractual negotiations as at 30 June 2015;

- Continuing growth in international markets including launch of the Singaporean website and securing IATA accreditation; and
- Pioneering facilitated booking integrations with global meta search engines.

Pleasingly, PPS's customer database grew to more than 483,000 and PPS established direct agreements with major national and international hotel chains to include more than 2,450 directly contracted hotels on an unaudited basis.

In assessing the next phase, PPS remains committed on increasing profitability and profit margins through combining its assets, unique technology platform, direct access to flight and hotel providers, and highly motivated team. The group's focus is on cross-selling ancillary services and driving synergistic values formed from the Check-in merger and continuing to establish a strong distribution base across the group. Currently more than 90% of the transactions processed through BYOjet are flights or hotels only. This fact creates an underlying opportunity to increase margins and TTV via cross-selling with minimal to no increase in costs of acquisition or overheads.

PPS management aims to drive growth through initiatives including:

- Increasing TTV through:
 - B2B JETMAX reoccurring sales;
 - Continuing to target niche and profitable business-to-consumer ("B2C") markets and international, less competitive, markets;
 - Targeting corporate clients / partnerships; and
 - B2B sales to underserved small to medium sized business ("SME") sector.
- Increasing margins through:
 - Cross-selling ancillary services such as hotels, travel insurance, car hire etc; and
 - Increasing "direct" relationships with key hotels and airlines resulting in higher margins (i.e. removing the "middle man").
- Managing costs through:
 - Cloud based IT systems;
 - Manage initiatives to reduce cost base; and
 - Streamlining processes through technology.
- Utilising technology by:
 - Continuing to power internal and third-party travel sites through a common platform; and
 - Product innovation with industry partners.

FSA – Ongoing Online Property Operations

On 19 December 2014, DVI announced to the market it has entered a non-binding agreement to acquire up to 100% in Find Solutions Australia, the owner of iBuyNew.com.au. The execution of the agreement provided a key component to the transaction which has taken over 3 years of informal discussions with Mr Mendel, the founder of FSA and iBuyNew.com.au. In line with DVI's investment strategy the business provided an attractive platform for DVI to provide its resources and expertise to provide excellent growth.

Following a revision to the structure of the FSA transaction, on 12 February 2015, DVI's investment terms were amended to take place over three stages. The key terms of the FSA investment structure are as follows:

- DVI to acquire 25% of FSA for cash consideration of \$750,000 and deferred share consideration of up to 26.67 million shares subject to agreed historic commissions receivable target met by 30 June 2018;
- DVI granted two options to acquire the remaining 75% of FSA in two tranches of 25% ("**First Option**") exercisable by 30 June 2015 and 50% ("**Second Option**") exercisable between 1 July 2019 and 30 October 2019;
- DVI can elect to exercise the First Option for cash consideration of \$750,000 and deferred share consideration of up to 26.67 million shares subject to agreed historic commissions receivable target met by 30 June 2018;
- DVI can elect to exercise the Second Option subject to exercising the First Option, and consideration for exercising the Second Option will depend on the financial performance of FSA at the time of exercise.

DVI's 25% investment in FSA was completed on 30 April 2015. Following completion of the transaction, DVI's Chairman, Dr Adir Shiffman joined FSA's Board of Directors as Chairman.

Subsequently, on 13 July 2015, DVI exercised the First Option to acquire an additional 25% of FSA, taking DVI's equity stake to 50%. Following completion of the exercise of the First Option, DVI's Non-Executive Director, Mr John Kolenda, joined FSA's Board of Directors as a Director.

The board of DVI is pleased to announce that FY15 marked another record year for FSA with the following results:*

- Revenue of \$3.306m representing a 56% increase from FY14 and CAGR of 51% since 2012;
- Operating EBITDA of \$1.103m representing a 72% increase from FY14 and a compound annual growth rate ("CAGR") of 49% since 2012;
- Net profit of \$912k; and
- 101 properties sold representing a 26% increase from FY14;

*On an unaudited basis

This marked a significant improvement over the previous comparable period and was the result of FSA management continuing to execute the company's growth strategy.

Further, in the last six months of FY15 FSA saw a 57% increase in its property listings, with now over 2,200 apartments available online. Contributing to the increase in listings and as part of the strategy to increase FSA's national footprint, the Melbourne office was launched to service Victorian customers. The Melbourne office achieved its first sales shortly after this launch. Focused on scaling up the business, FSA's management continued the process of building a national sales team. Going forward, FSA's sales team will consist of a number of fixed and commission based remuneration models which will offer a lower fixed cost base across the business.

Management aims to grow iBuyNew into a nationally known brand through the differentiated approach in property sales. Unlike lead generation websites who generally provide consumer details to an unrelated third party, FSA's sales consultants present customers with a suite of off the plan apartments across the Australian eastern seaboard. FSA's consultants actively assist purchasers from selection, through to contract exchange, settlement and beyond. Lastly, iBuyNew has increased its subscriber database to over 25,000 members and the platform has experienced a number of repeat sales from satisfied customers which the Board believes demonstrates the success of FSA's business model successful.

General Opportunities

The assets now present in DVI provide the Board with two businesses where they can provide significant value through the application of their experience in growing and developing businesses. Both PPS (BYOjet) and FSA (iBuyNew) provide an excellent platform to scale and excel as they contain fundamentally differentiated technology platforms and large customer databases. Both businesses will focus on scaling sustainable growth whilst increasing profitability through partnerships, business development and leveraging off their technology.

DVI continues to assess and support BYOjet and iBuyNew with identified key growth initiatives to grow these platforms. These initiatives will strive to potentially generate additional value for shareholders.

Significant Changes in state of affairs

Significant changes in the state of affairs of the Company during the financial year were as follows:

1. On 2 July 2014, the Company announced the acquisition of 100% of the share capital in Escape Lounge Pty Ltd complete.
2. On 12 September 2014, the Company announced the appointment of Mr Andrew Jensen as a Non-Executive Director of the Company. Andrew is an accomplished CFO with over 15 years' experience in senior finance & management roles.
3. On 24 September 2014, the Company announced the acquisition of up to 54.69% of PPS the owner of the BYOjet group, one of Australia's largest online travel agents. The Company currently owns 38.73% of the equity in PPS (obtained via the scrip for scrip merger of PPS with DON1, the owner of Check-In group) and has the ability to increase to its equity interest to 54.69% via the conversion of \$1.5m of convertible notes it holds.

4. On 15 December 2014, it was announced that BYOjet management made the strategic decision to close its retail kiosks following the launch of JETMAX, the acquisition of Check-in, the opening of BYOjet Singapore and the ever growing success of the BYOjet websites in Australia and New Zealand. Management indicated the business would focus exclusively on these online businesses.
5. On 19 December 2014, the Company announced a second significant proposed investment in FSA the owner of iBuyNew.com.au, one of Australia's most innovative off-the-plan property marketplaces. The proposed transaction is consistent with the company's strategy of leveraging its expertise and online platform to accelerate high-growth technology businesses run by strong management teams.
6. On 30 December 2014, the Company announced a placement of 27.5m new shares to institutional investors at an issue price of 1.2 cents per share to raise \$330k ("**First Placement**"). New shares under the First Placement were allotted on 29 December 2014. In addition, related entities of the Directors Dr Adir Shiffman, Mr Calvin Ng and Mr John Kolenda exercised 100% of the 12.9m 31 December 2014 options held by them. The option exercise resulted in a total \$141k of cash raised by the Company. The proceeds of the First Placement and the option exercise were used to provide funding to complete the second tranche of the Company's investment in PPS, to further investigate the proposed investment FSA and to provide general working capital.
7. On 6 February 2015, the Company announced BYOjet to be the second online travel agent in Australia to successfully complete the direct connection with Scoot Airlines, demonstrating the company's innovation and willingness to work with partners to advance the platform.
8. On 19 February 2015, the Company announced it has issued and allotted 83,333,332 fully paid ordinary shares at an issue price of \$0.012 per share to new and existing institutional and sophisticated investors ("**Second Placement**"). The total amount raised under the Second Placement was \$1m (before costs).
9. On 15 April 2015, the Company announced that PPS achieved an all-time record sales month for its online travel business in March 2015. Reported Total Transaction Value for the group exceeded \$8.41m on an unaudited basis.
10. On 30 April 2015, the Company announced the completion of an initial 25% investment in FSA. A total cash consideration of \$750k was paid for the initial 25% ownership in FSA with a deferred consideration to the FSA vendors in the form of up to 26.67 million shares subject to an agreed commission's receivable target being met by 30 June 2018. Following settlement, Company Chairman Dr Adir Shiffman was appointed as Chairman to the Board of Directors of FSA.
11. On 5 May 2015, the Company announced PPS had achieved another all-time record sales month for its online travel business during April 2015. Management indicated a majority of this sales growth can be attributed to multiple projects initiated shortly after the group shifted all its attention online in December 2014. On 9 June 2015, it was announced PPS announced a third consecutive all-time record sales month for its online travel business during May 2015. In light of the continued growth of PPS, it is the Company's intention to provide quarterly TTV updates.
12. On 11 June 2015, the Company announced the successful completion of a capital raising with commitments received to raise a total of \$1,650,000 (before costs) via a placement of 137,500,000 new shares at \$0.012 per share ("**Third Placement**").
13. On 12 June 2015, the Company announced the resignation of Mr Andrew Whitten as Company Secretary, Mr Whitten's resignation was due to an internal restructuring of Whittens & McKeough. Mr Anand Sundaraj, another principal of Whittens & McKeough was appointed as Company Secretary.

Environmental regulations

There are no applicable environmental regulations that would have an effect on the Company.

Dividends

No dividends have been paid or declared since the beginning of the financial year and none are recommended.

Subsequent events

On 13 July 2015, the Company completed exercise of the First Option and acquired an additional 25% in FSA bringing its total investment to 50% ownership. A total cash consideration of \$750,000 was paid for the additional 25% in FSA. The Second Option over the remaining 50% in FSA is exercisable between 1 July 2019 and 30 October 2019. The Second Option exercise price will depend on the financial performance of FSA at the time of exercise. In addition following settlement, DVI's Non-Executive Director, Mr John Kolenda, was appointed to FSA's Board of Directors.

Likely developments and expected results of Operations

Disclosure of information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

Employees at the reporting date

The Group employed one (1) employee (2014: eight).

Information on Directors

Mr John Kolenda (Non-executive director, age 51)

Experience and Expertise

John is the Co-Founder and Managing Director of the Finsure Group one of Australia's largest mortgage broking and financial planning groups. John also jointly founded X Inc in 2004 and, following its merger with the mortgage broking operations of Ray White in late 2007 was an Executive Director of the merged entity Loan Market Group, comprising X Inc Finance, Loan Market and realestate.com.au Home Loans. Prior to X Inc, John spent 10 years with Aussie Home Loans in the capacity of general sales manager. John also has extensive private equity experience in property, finance, insurance and the food & beverage sector. John serves as a Director of several companies including Aura Capital Group, Freedom Insurance and Spectrum Wealth.

Other Current Directorships

None.

Former Directorships in the Last Three Years

None.

Special Responsibilities

None.

Interests in Shares and Options

22,305,000 ordinary shares

Dr Adir Shiffman (Non-executive director, age 40)

Experience and Expertise

Dr Adir Shiffman, Non-Executive Chairman of Disruptive Investment Group Limited, has extensive CEO and board experience across a number of technology companies. Adir's expertise lies in providing assistance in relation to the development of strategic plans; providing strategic advisory services, including with respect to mergers and acquisitions and restructuring; and working with senior management of Disruptive Investment Group Limited to execute those plans. Adir currently sits on a number of boards, including as the Executive Chairman of ASX-listed Catapult Group International (ASX:CAT), the founder and Non-Executive Chairman of Global Reviews and the founder and Non-Executive Chairman of StartHere.com.au. Adir graduated from Monash University in 1999 with a Bachelor of Medicine and a Bachelor of Surgery. Prior to becoming involved in the technology sector, he practised as a doctor.

Other Current Directorships

Catapult Group International Limited (ASX:CAT)

Former Directorships in the Last Three Years

None.

Special Responsibilities

None.

Interests in Shares and Options

23,375,000 ordinary shares

Mr Kar Wing (Calvin) Ng (Non-executive director, age 32)

Experience and Expertise

Non-Executive Director Mr Calvin Ng has significant investment banking, mergers & acquisitions and funds management experience. Calvin is a co-founder and Managing Director of the Aura Group, an independent corporate advisory and funds management business. He is also a co-founder and Non-Executive Director of the Finsure Group. Calvin has significant board experience in a number of businesses, with particular expertise in providing management oversight and strategic guidance to small and medium sized enterprises. Calvin currently sits on a number of boards, including entities associated with the Aura Capital Group, Finsure Group and ASX listed Catapult Group International (ASX:CAT). Calvin holds a Bachelor of Commerce and Bachelor of Laws from the University of New South Wales. Calvin has also completed a Graduate Diploma of Legal Practice and has been admitted to practice as a lawyer in the Supreme Court of New South Wales.

Other Current Directorships

Catapult Group International Limited (ASX:CAT)

Former Directorships in the Last Three Years

None.

Special Responsibilities

None.

Interests in Shares and Options

23,955,000 ordinary shares

Mr Andrew Jensen (Non-executive director, age 43)

Experience and Expertise

Andrew is an accomplished CFO with over 15 years' experience in senior finance & management roles. He is currently the Director and CFO of VGC Food Group, a private diversified manufacturing and franchising group. He has extensive knowledge in the management of all aspects of the finance function with strong commercial, strategic, M&A, and change management experience. Andrew has financially led companies engaged in various fields including telecommunications & technology, real estate, financial services and the franchising sectors both in Australia and Internationally. This included being Director and CFO of Australasia's largest real estate group Ray White, with over \$20 Billion in annual sales and one of Australia's largest independent mortgage broking business, The Loan Market.

Other Current Directorships

None.

Former Directorships in the Last Three Years

None.

Special Responsibilities

None.

Interests in Shares and Options

3,851,330 ordinary shares

Company Secretary

The company secretary is Mr Anand Sundaraj. Anand is a lawyer and principal with Whittens & McKeough, a commercial law firm based in Sydney. Anand specialises in mergers & acquisitions and capital raisings for both publicly listed and privately held entities. He also advises on funds management and general securities law matters including ASX Listing Rules compliance. Prior to joining Whittens, Anand worked for international law firms Allen & Overy, King & Wood Mallesons and Herbert Smith Freehills as well as for global investment bank Credit Suisse. Anand was appointed to the position of company secretary on 12 June 2015.

Directors' meetings

The meetings that each director was eligible to attend, and the number of meetings attended by each director were:

Director	Number of Meetings	
	Eligible to attend	Attended
Adir Shiffman	6	5
Calvin Ng	6	6
Andrew Jensen	6	4
John Kolenda	6	4

The majority of the Company's business was conducted via electronic means and circular resolutions.

Remuneration Report (audited)

The Remuneration Report is set out under the following main headings:

1. Principles used to determine the nature and amount of remuneration;
2. Details of remuneration;
3. Service agreements; and
4. Share-based compensation.

The information provided under headings 1 to 4 above in the Remuneration Report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

1 Principles used to determine the nature and amount of remuneration (audited)

The Company's Constitution specifies that subject to the initial fixed annual aggregate sum of \$500,000 the aggregate remuneration of non-executive directors shall not exceed the sum determined by the shareholders of the Company in general meeting.

Remuneration Report (audited)

Fees and payments to directors:

- 1 are to reflect the demands which are made on, and the responsibilities of, the directors; and
- 2 are reviewed annually by the board to ensure that directors' fees and payments are appropriate and in line with the market.

Retirement allowances and benefits for directors

There are no retirement allowances or other benefits paid to directors except for statutory requirement.

Directors' fees

The amount of remuneration of the directors of the Company (as defined in AASB 124 *Related Party Disclosures*) is set out in the following table. During the financial year there were no executives other than the directors. There was no remuneration of any type paid to the directors, other than as reported below for the provision of director and professional services.

2 Details of remuneration in 2015 (audited)

30 June 2015

Name of Key Management Personnel	Short term benefits Salary & fees \$	Non-monetary Benefits \$	Post Employment Benefits – Superannuation \$	Share based payment \$	Total \$	Remuneration consisting of shares %
Non-executive directors						
Adir Shiffman (a)(b)	48,000	3,875	-	-	51,875	-
Calvin Ng (a)(b)	48,000	3,875	-	-	51,875	-
John Kolenda (a)(b)	48,000	3,875	-	-	51,875	-
Andrew Jensen	-	3,875	-	29,999	33,874	88.5
Other key management personnel						
Mark Nicholas Mendel (Find Solutions Australia Pty Ltd)	40,000	-	3,800	-	43,800	-
Leonard Gavin Padowitz (Professional Performance Systems Pty Ltd)	75,000	32,967	7,125	-	115,092	-
Totals	259,000	48,467	10,925	29,999	348,391	-

30 June 2014

Name of Key Management Personnel	Short term benefits Salary & fees \$	Non-monetary Benefits \$	Post Employment Benefits – Superannuation \$	Share based payment \$	Total \$
Non-executive directors					
Adir Shiffman (a)(b)	48,000	3,264	-	-	51,264
Calvin Ng (a)(b)	48,000	3,264	-	-	51,264
John Kolenda (a)(b)	48,000	3,264	-	-	51,264
Michael Pollak (a)	43,936	3,133	4,064	-	51,133
Totals	187,936	12,925	4,064	-	204,925

For related party payments, please refer to Note 21 of the financial statements.

- From the date of their appointment as directors on 1 February 2013, it has been agreed that the directors will each receive a director's fee of \$48,000 p.a. (including superannuation and all other entitlements).
- Disruptive Capital Pty Ltd an entity associated with Adir Shiffman, Calvin Ng and John Kolenda, was paid \$144,000 (30 June 2015) in total for directors' fees during the year.

During the year ended 30 June 2015 and 30 June 2014 the directors and other key management personnel did not receive any cash bonus, performance related bonus.

Service Agreements (audited)

The non-executive directors serve until they resign, are removed, cease to be a director or are prohibited from being a director under the provisions of the Corporations Act 2011, or are not re-elected to office.

The company has a consultancy agreement with Disruptive Capital Pty Ltd, Aura Capital Pty Ltd, and Alia Group Pty Ltd, entities associated with Adir Shiffman, Calvin Ng and John Kolenda. The key terms of the contract are:

- Each director is remunerated at \$48,000 (excluding GST) per annum;
- The non-executive directors are remunerated on a monthly basis; and
- Either party can terminate the contract with three month notice.

As at the date of this report there are no executives or management personnel engaged by the Company other than the directors.

On 30 April 2015, Mark Nicholas Mendel signed an executive services agreement with Find Solutions Australia Pty Ltd. The key terms of Mark's contract are:

- Mark is remunerated at \$240,000 (inclusive of superannuation) per annum;
- Mark is subject to customary restraints; and
- Either party can terminate the contract with six months' notice during the first 12 months, and 3 months' notice thereafter.

Professional Performance Systems Pty Ltd has engaged the services of Leonard Gavin Padowitz as CEO. There has been no employment contract between the two parties. Leonard was remunerated \$115,092 during the year.

Share-based compensation (audited)

3,749,996 shares were issued to Andrew Jensen during the financial year in lieu of director fees as director remuneration. Total shares worth \$37,500 were issued in lieu of one year's service (pro-rata). A total of \$29,999 being his remuneration to 30 June 2015. Andrew Jensen held 50,000 shares upon appointment as director.

As disclosed on the 1 May 2015, the Company granted the right to receive 26,670,000 shares to Mr Mark Nicholas Mendel as deferred consideration for the acquisition of the initial 25% of Find Solutions Australia Pty Ltd. The fair value to these shares (not yet issued) are \$320,040 which is included in the acquisition costs. These amounts are not included in the remuneration table.

(End of Remuneration Report)

Equity instrument disclosures relating to key management personnel

I. Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director and other key management personnel, including their personally related parties, are set out below.

30 June 2015

Director	Balance at the start of the year	Granted during the year	Exercised during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Adir Shiffman	4,525,000	-	(4,525,000)	-	-
John Kolenda	4,375,000	-	(4,375,000)	-	-
Calvin Ng	4,375,000	-	(4,375,000)	-	-
Andrew Jensen	-	-	-	-	-
Leonard Gavin Padowitz	-	-	-	-	-
Mark Nicholas Mendel	-	-	-	-	-
	13,275,000	-	(13,275,000)	-	-

30 June 2014

Director	Balance at the start of the year	Granted during the year	Exercised during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Adir Shiffman	4,525,000	-	-	4,525,000	4,525,000
John Kolenda	4,375,000	-	-	4,375,000	4,375,000
Calvin Ng	4,375,000	-	-	4,375,000	4,375,000
Michael Pollak	7,062,500	-	-	7,062,500	7,062,500
	20,337,500	-	-	20,337,500	20,337,500

No options are vested and un-exercisable at the end of the year.

There were no options granted during the reporting period as compensation.

II. Share holdings

The numbers of shares in the Company held during the financial year by each director, including their personally related parties, are set out below:

30 June 2015

Key Management Personnel	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Adir Shiffman	16,500,000	4,525,000	2,350,000	23,375,000
John Kolenda	16,080,000	4,375,000	1,850,000	22,305,000
Calvin Ng	17,230,000	4,375,000	2,350,000	23,955,000
Andrew Jensen	-	-	3,799,996	3,799,996
Leonard Gavin Padowitz	-	-	31,252,300	31,252,300
Mark Nicholas Mendel	-	-	-	-*
	49,810,000	13,275,000	41,602,296	104,687,296

(*) Mark is currently not holding any shares but holds a deferred share consideration of 26,670,000 shares as previously noted in Remuneration Report - Share-based compensation.

30 June 2014

Director	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Adir Shiffman	16,500,000	-	-	16,500,000
John Kolenda	16,080,000	-	-	16,080,000
Calvin Ng	17,230,000	-	-	17,230,000
Michael Pollak	17,212,500	-	-	17,212,500
	67,022,500	-	-	67,022,500

Additional Information**(a) Shares under options**

As at the date of signing this report, there were no listed or unlisted options (30 June 2014: 51,874,659). Refer to note 17 for further details of the options outstanding.

(b) Insurance premium

During the financial year the Group has paid insurance premiums of \$15,500 in respect of directors' and officers' liability insurance for current directors, including senior executives of the Group. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

(c) Agreement to indemnify officers

The Company has entered into agreements with the directors to provide access to Company records and to indemnify them. The indemnity relates to any liability as a result of being, or acting in their capacity as, an officer of the Company to the maximum extent permitted by law; and for legal costs incurred in successfully defending civil or criminal proceedings.

No liability has arisen under these indemnities as at the date of this report.

(d) Proceedings on behalf of the Company

No person has applied to the court under Section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the court under Section 237.

(e) Auditor

Stantons International is the appointed auditor.

(f) Indemnity of Auditor

The auditor (Stantons International) has not been indemnified under any circumstance.

(g) Audit services

During the financial year, \$57,689 (excluding GST) was paid or is payable by the Company for audit services provided by Stantons International (2014: \$36,151).

In addition, \$30,000 (excluding GST) and \$10,000 (excluding GST) are payable by Professional Performance Systems Pty Ltd and Find Solutions Australia Pty Ltd, respectively, for the audit services provided by Stantons International.

(h) Non-audit services

There have been no non-audit services during the year.

Auditor's independence declaration

The auditor's independence declaration is included on page 21 of the annual report.

This Directors' report is signed in accordance with a resolution of Directors made pursuant to section 298 (2) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Adir Shiffman', with a stylized flourish at the end.

Adir Shiffman
Chairman
31 August 2015

Auditor's Independence Declaration

Stantons International Audit and Consulting Pty Ltd
trading as

Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

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West Perth WA 6005
Australia

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ABN: 84 144 581 519
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31 August 2015

Board of Directors
Disruptive Investment Group Limited
C/- Whittens Lawyers,
Level 5
137 Bathurst Street
Sydney, NSW 2000

Dear Directors

RE: DISRUPTIVE INVESTMENT GROUP LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Disruptive Investment Group Limited.

As Audit Director for the audit of the financial statements of Disruptive Investment Group Limited for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

Auditor's Independence Declaration

Stantons International Audit and Consulting Pty Ltd
trading as

Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DISRUPTIVE INVESTMENT GROUP LIMITED

Report on the Financial Report

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

Directors' responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 2(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Liability limited by a scheme approved
under Professional Standards Legislation

Member of Russell Bedford International



Auditor's Independence Declaration

Stantons International

Independence

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

Auditor's opinion

In our opinion:

- (a) the financial report of Disruptive Investment Group Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- (b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Report on the Remuneration Report

We have audited the remuneration report included in pages 16 to 18 of the directors' report for the year ended 30 June 2015. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards

Auditor's opinion

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
31 August 2015

Disruptive Investment Group Limited

Directors' declaration

1. In the opinion of the Directors of Disruptive Investment Group Limited (the "Company"):
 - (a) the accompanying financial statements, notes and the additional disclosures are in accordance with the Corporations Act 2001 including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
 - (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial period ended 30 June 2015.

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

Dated this 31st day of August, 2015

A handwritten signature in black ink, appearing to read 'Adi' followed by a stylized surname.

Adir Shiffman
Chairman

Disruptive Investment Group Limited

Consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Continuing operations			
Revenue	5	109,175	375,735
Other income		10,000	
Gain on disposal of subsidiary	6 (b)	875,183	-
Administration expenses		(378,702)	(271,192)
Operating expenses		(122,326)	(524,599)
Employee expenses		(129,833)	(393,681)
Directors and consultant expenses		(144,000)	(188,281)
Share based payments		(29,999)	-
Impairment		(10,000)	(40,000)
Occupancy		(9,140)	(35,842)
Depreciation		(208)	(2,247)
Share of net losses from jointly controlled entities		(297,542)	-
Operating (loss) before financing costs		(127,392)	(1,080,107)
Financial income	5	25,850	40,443
Financial expenses		(7,038)	(138)
Net financing income		18,812	40,305
(Loss) before tax		(108,580)	(1,039,802)
Income tax expenses	7	-	-
Net (loss) from continuing operations		(108,580)	(1,039,802)
Other Comprehensive income			
Items that will not be reclassified to profit or loss:		-	-
Items that may be reclassified subsequently to profit or loss:		-	-
Foreign Currency Translation		1,691	-
Other Comprehensive income for the year		1,691	-
Total Comprehensive (loss) for the year		(106,889)	(1,039,802)
Basic (loss) per share (cents)	22	(0.023)	(0.30)
Diluted (loss) per share (cents)	22	(0.023)	(0.30)

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

Disruptive Investment Group Limited

Consolidated statement of financial position as at 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Current assets			
Cash and cash equivalents	8	1,894,581	1,984,635
Trade and other receivables	11	83,387	37,883
Security Deposits	12	-	3,300
Prepayments		25,673	54,873
Total current assets		2,003,641	2,080,691
Non-current assets			
Intangible assets	9	76	50,830
Investment in jointly controlled entities	26	2,238,486	-
Financial assets	10	1,500,000	-
Property, Plant & Equipment		-	2,754
Other assets	13	1,200	1,800
Total non-current assets		3,739,762	55,384
Total assets		5,743,403	2,136,075
Current liabilities			
Trade and other payables	14	262,912	242,003
Provisions		2,664	9,318
Total current liabilities		265,576	251,321
Total liabilities		265,576	251,321
NET ASSETS		5,477,827	1,884,754
Equity			
Issued capital	16(b)	44,336,173	40,636,211
Reserves	17	3,191	1,500
Accumulated (losses)		(38,861,537)	(38,752,957)
TOTAL EQUITY		5,477,827	1,884,754

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

Disruptive Investment Group Limited

Consolidated statement of changes in equity for the financial year ended 30 June 2015

	Share Capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
Balance as per 1 July 2014	40,636,211	(38,752,957)	1,500	1,884,754
Total comprehensive income for the year				
- (Loss) from continued operations	-	(108,580)	-	(108,580)
- Other comprehensive income	-	-	1,691	1,691
Total comprehensive (loss) for the year	-	(108,580)	1,691	(106,889)
Transactions with owners in their capacity as equityholders				
- Shares Issued	3,858,790	-	-	3,858,790
- Share Issue Costs	(158,828)	-	-	(158,828)
Balance as at 30 June 2015	44,336,173	(38,861,537)	3,191	5,477,827

	Share Capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
Balance as per 1 July 2013	38,695,249	(37,713,155)	1,500	983,594
Total comprehensive income for the year				
- Loss from continued operations	-	(1,039,802)	-	(1,039,802)
Total comprehensive loss for the year	-	(1,039,802)	-	(1,039,802)
Transactions with owners in their capacity as equityholders				
- Shares Issued	2,127,950	-	-	2,127,950
- Share Issue Costs	(186,988)	-	-	(186,988)
Balance as at 30 June 2014	40,636,211	(38,752,957)	1,500	1,884,754

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

Disruptive Investment Group Limited

Consolidated statement of cash flows for the financial year ended 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Cash flows from operating activities			
Cash receipts from customers		352,845	1,103,265
Cash paid to creditors and suppliers		(1,018,875)	(2,057,279)
Cash generated from operations		(666,030)	(954,014)
Interest paid		(820)	(138)
Interest received		29,284	35,727
Net cash (used in) operating activities	23(b)	(637,566)	(918,425)
Cash flows from investing activities			
Investments in jointly controlled entity		(839,295)	-
Convertible note to jointly controlled entity		(1,500,000)	-
Other assets		-	(1,200)
Proceeds from borrowings		(7,936)	-
Repayment of borrowings		2,860	-
Net security deposits received		-	73,981
Payment for intangible assets		-	(10,830)
Net cash (outflow) from sale of subsidiary		(45,539)	-
Net cash (used in) investing activities		(2,389,910)	61,951
Cash flows from financing activities			
Proceeds from the issue of share capital		3,096,250	2,127,950
Cost of issue of share capital		(158,828)	(232,220)
Net cash provided by financing activities		2,937,422	1,895,730
Net (decrease)/increase in cash and cash equivalents		(90,054)	1,039,256
Cash and cash equivalents at the beginning of year		1,984,635	945,379
Cash and cash equivalents net of overdrafts at the end of year	23(a)	1,894,581	1,984,635

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

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

1. General information

Disruptive Investment Group Limited (“the Company”) is a company limited by shares, incorporated and domiciled in Australia. Its shares are listed on the Australian Securities Exchange.

The financial statements cover Disruptive Investment Group Limited as a consolidated entity consisting of Disruptive Investment Group Limited and the entities it controlled from time to time during the year (‘group’ or consolidated entity’).

The Financial Report of Disruptive Investment Group Limited for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the board of directors on 31 August 2015.

2. Significant accounting policies

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

(a) Basis of preparation

This general purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 where possible.

The Directors have prepared this financial report on the basis that the Company is a going concern. The board considers the Company has sufficient cash resources to meet all operating costs for at least twelve months from the date of this report.

It is recommended that this financial report be read in conjunction with the public announcements made by Disruptive Investment Group Limited during the year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the Financial Report of Disruptive Investment Group Limited complies with International Financial Reporting Standards (IFRS).

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. Where there are areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, these are disclosed in Note 2(r).

Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current year. When the Company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(b) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Disruptive Investment Group Limited) and all of the subsidiaries (including any structured entities) as at 30 June 2015. Subsidiaries are entities the parent controls.

The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 24.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(c) Revenue recognition

Revenue is measured at their fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each engagement.

Revenue from booking fees on accommodation is recognised when the booking is made by the customer and payment has been received. Commission revenue is recognised upon the provision of the related service. There is a credit risk associated with the booking fee as the amount is received from the customer at the time of booking and may be refundable – this is determined by the terms and conditions, the customer circumstance and may be subject to an administration fee.

Interest revenue is recognised on a time proportionate basis using the effective interest method.

(d) Cash and Cash Equivalents

For statement of cash flow presentation purposes, cash and cash equivalents includes 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.

(e) Trade and other receivables

Trade and other receivables are initially recognised initially at fair value and subsequently measured at amortised costs using the effective interest method, less provision for impairment. Trade and other receivables are generally due for settlement within 30 days. Collectability of trade receivables is reviewed on an ongoing basis. Amounts that are known to be uncollectible are written off by reducing the carrying amount directly.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(f) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line basis over their estimated useful lives, as follows:

Furniture and fittings	2-13 years
Motor vehicles	4-5 years
Leasehold improvements	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance 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 carrying amount. These are included in the statement of profit or loss and other comprehensive income.

(g) Intangibles

Intangible assets that are acquired by the consolidated entity are stated at cost less accumulated amortisation and impairment losses. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible assets.

Goodwill and goodwill on consolidation are initially recorded at the amount by which the acquisition cost for a business combination exceeds the fair value attributed to the interest in the net fair value of net identifiable assets at the acquisition date. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is not amortised but is impairment tested annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(h) Income Tax

The income tax expense or revenue for the period is the tax payable on a current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is charged to the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(i) Other receivables

Other receivables are recognised at fair value and subsequently measured at amortised cost, less provision for impairment.

(j) Trade and other payables

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

(k) Borrowings

Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

(l) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

(m) Share based payment transactions

(i) Equity settled transactions

The Group provides benefits to its employees (including key management personnel) in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions).

The cost of these equity settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The charge to the statement of profit or loss and other comprehensive income is taken when the options are granted. There is a corresponding entry to equity.

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

(n) Goods and Services Tax (GST)

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

(o) Dividends

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

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(p) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognised for any subsequent increase in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position.

(q) Financial instruments

Initial Recognition and Measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between the initial amount and the maturity amount calculated using the effective interest method.

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

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, the Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premium or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will be necessitate an adjustment to carrying value with a consequential recognition of an income or expense item in profit or loss.

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

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

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

(ii) Loans and Receivables

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

Loans and receivables are included in current assets, where they are expected to mature within 12 months at the end of the reporting period.

(iii) Held-to-maturity Investments

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

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of reporting period. All other investments are classified as current assets.

(iv) Available-for-sale financial assets

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

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognized, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end date of the reporting period. All other financial assets are classified as current assets.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (ie transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

(r) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assumed a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates – Impairment

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

(s) Interest bearing liabilities

All loans and borrowings, including convertible notes, are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

The component of the convertible notes that exhibit characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

Transaction costs are apportioned between the liability and equity components of the convertible notes based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

On issuance of the convertible notes the fair value of the liability component is determined using the market rate for an equivalent market instrument and this amount is carried as a long term liability using the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost.

Borrowings are classified as current liabilities unless the Group has the unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(t) Provisions and employee benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit and loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the statement of financial position date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flow and as such a risk-free government bond rate relative to the expected life of the provision is used as a discount rate. If the effects of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

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

(ii) Long service leave

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

(u) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is not remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(v) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

- *AASB 9 Financial Instruments* and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)

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

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

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

- *AASB 15: Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- *Other standards not yet applicable*

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transaction.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

3. Segment information

The directors have considered the requirements of AASB 8 - Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker which, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows.

For the year ended 30 June 2015 the Company had only one geographical location being Australia and operated in two business segments being as an owner, developer and operator of retail, franchise and e-commerce brands. The first segment is the corporate entity and the second and third segments are operating entities.

	Corporate		Real Estate*		Travel/Online Booking**		Eliminations		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Operating Segments	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue										
Sales to customers outside the Consolidated Entity	-	-	-	-	109,175	375,735	-	-	109,175	375,735
Other revenues from customers outside the Consolidated Entity	35,850	40,443	-	-	-	-	-	-	35,850	40,443
Total segment revenue	35,850	40,443	-	-	109,175	375,735	-	-	145,025	416,178
Results										
Segment result	(723,797)	(424,233)	17,487	-	597,730***	(615,569)	-	-	(108,580)	1,039,802
Assets										
Segment assets	2,004,917	2,655,883	1,143,280	-	2,595,206	84,868	-	(604,676)	5,743,403	2,136,075
Liabilities										
Segment liabilities	265,576	150,620	-	-	-	705,377	-	(604,676)	265,576	251,321

*** Includes \$875,183 as a gain on disposal of subsidiary

* Revenue under Real Estate have been treated under the equity accounting method. DVI completed the initial transaction to acquire a 25% stake in FSA on 30 April 2015, no sales have been recorded due to the accounting treatment. Subsequently, on 13 July 2015 DVI exercised its first option to acquire a further 25% in FSA, DVI now owns 50% of FSA and future sales will be consolidated to DVI.

** Revenue under Travel/Online Booking have treated under the equity accounting method. DVI obtained 38.73% of the equity in PPS via the scrip for scrip merger of PPS with DVI subsidiary DON1. The merger and acquisition was completed on 24 September 2014, sales recognised in DVI accounts were achieved by the DON1 entity prior to the completion. No PPS sales have been recognised due to the accounting treatment. DVI holds a \$1.5 million convertible note which if converted results in a 54.69% interest. Further if converted PPS sales will be consolidated into DVI.

4. Financial risk management objectives and policies

Risk management is the role and responsibility of the board. The Company's current activities expose it to minimal risk. However, as activities increase there may be exposure to interest rate, market, credit and liquidity risks.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(a) Interest Rate Risk

The Company'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 rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Floating Interest Rate \$	1 year or less \$	Over 1 year less than 5 \$	More than 5 years \$	Non- interest bearing \$	Total \$
30 June 2015						
Financial Assets						
Cash and deposits	1,824,476	-	-	-	70,105	1,894,581
Trade and other receivables	-	-	-	-	83,387	83,387
Financial assets	-	-	-	-	1,500,000	1,500,000
Security deposit	-	-	-	-	-	-
	1,824,476	-	-	-	1,653,492	3,477,968
Weighted average interest rate	2.11%					
Financial Liabilities						
Trade and other payables	-	-	-	-	262,912	262,912
	-	-	-	-	262,912	262,912
Weighted average interest rate						
30 June 2014						
Financial Assets						
Cash and deposits	1,950,226	-	-	-	34,409	1,984,635
Trade and other receivables	-	-	-	-	37,883	37,883
Security deposit	-	-	-	-	3,300	3,300
	1,950,226	-	-	-	75,592	2,025,818
Weighted average interest rate	2.56%					
Financial Liabilities						
Trade and other payables	-	-	-	-	242,003	242,003
	-	-	-	-	242,003	242,003
Weighted average interest rate						

The Company has interest bearing assets and therefore income and operating cash flows are subjective to changes in the market rates. However, market changes in interest rates will not have a material impact on the results or operating cash flows of the Group. A movement in interest rates of +/- 100 basis points will result in less than a +/- \$18,244 (2014: \$19,502) impact on the Group's income and operating cash flows. At this time, no detailed sensitivity analysis is undertaken by the Group.

(b) Market Risk

The Company is not exposed to equity securities price risk as it holds no investments in securities classified on the Statement of Financial Position either as available-for-sale or at fair value through profit or loss; or to commodity price risk.

(c) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(d) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at end of the reporting period was as follows:

	Carrying amount	
	2015	2014
	\$	\$
Cash and cash equivalents	1,894,581	1,984,635
Financial assets	1,500,000	-
Other receivables	83,387	37,883
	3,477,968	2,022,518

Trade and other receivables

The maximum exposure to credit risk for other receivables at the end of the reporting period by geographic region was as follows:

	Carrying amount	
	2015	2014
	\$	\$
Australia	83,387	37,883

Impairment losses

At the 30 June 2015 nil (2014: nil) other receivables were past due but not impaired. The Group believes that no impairment is necessary in respect of other receivables not past due.

Cash and cash equivalents

The Group held cash and cash equivalents of \$1,894,581 at 30 June 2015 (2014: \$1,984,635), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with banks which are rated AA-, based on Standard and Poor's rating agency.

(e) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, excluding the impact of netting agreements:

Financial risk management

	Level 1	Level 2	Level 3	Total
2015	\$	\$	\$	\$
Financial assets				
Investment in Convertible Note		1,500,000		
Investment in jointly controlled entities	-	2,238,486	-	-
	-	3,738,486	-	-

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

2014

Financial assets - - - -

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the closing quoted prices at reporting date, excluding transaction costs. In valuing unlisted investments, included in Level 2 of the hierarchy, valuation techniques such as those using comparisons to similar investments for which market observable prices are available have been adopted to determine the fair values of these investments. Derivative instruments are included in Level 2 of the hierarchy with the fair values being determined using valuation techniques incorporating observable market data relevant to the hedged position.

	Carrying amount	2 mths or less	2-12 mths	1-2 years	2-5 years	More than 5 years
30 June 2015						
Trade and other receivables	83,387	83,387	-	-	-	-
Trade and other payables	(262,912)	(262,912)	-	-	-	-
Convertible Loan	1,500,000	-	-	1,500,000	-	-
	1,320,475	(179,525)	-	1,500,000	-	-
30 June 2014						
Trade and other receivables	37,883	27,288	10,595	-	-	-
Trade and other payables	(242,003)	(242,003)	-	-	-	-
	(204,120)	(214,715)	10,595	-	-	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(f) Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arise. The Group has no material exposure as at 30 June 2015.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Assets		Liabilities	
	2015	2014	2015	2014
	\$	\$	\$	\$
30 June 2015				
US\$	-	-	-	23,361
	-	-	-	23,361

(g) Effective interest rate and repricing analysis

Cash and cash equivalents is the only interest bearing financial instruments of the Company.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

5. Revenue

An analysis of the Company's revenue for the year is as follows:

	Consolidated	
	2015	2014
	\$	\$
Revenue	109,175	375,735
Other Income	35,850	40,443

6. Gain on disposal of subsidiary

(a) Details of subsidiary disposed

As announced to the ASX on 24 September 2014, the Company entered into an arrangement to sell its subsidiary Disruptive Opportunities No.1 Pty Ltd ("DON1") as part of its transactions to acquire a significant interest in Professional Performance Systems Pty Ltd ("PPS").

After taking into consideration the accumulated losses in DON1, as well as costs related to executing the acquisition, the resulting gain on deconsolidation was \$875,183.

While DON1 was sold during the year the company has not disclosed its results as discontinued operations as it will continue to operate under the jointly controlled entities with PPS.

(b) Financial performance of subsidiary disposed

	30 June 2015
	\$
Net proceeds received from disposal of DON1	1,050,000
Less: Carrying value of Net Assets of DON1	(174,817)
Net gain on disposal of subsidiary	875,183

7. Income Tax

(a) The prima facie tax on (loss) before income tax is reconciled to the income tax as follows:

	Consolidated	
	2015	2014
	\$	\$
Loss before income tax	(108,580)	(1,039,802)
Income tax calculated at 30%	(32,574)	(311,940)
Add back:		
Capital gain	(262,555)	-
Non-deductible expenses	875	41,956
Change in equity accounted investments	89,263	-
Provisions	1,363	12,817
Section 40-880 deduction	(27,856)	(37,397)
Future income tax benefits not brought to account	231,484	294,564
Income tax expense	-	-

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

Deferred tax assets:		
Section 40-880 deduction	85,992	44,877
Provisions	1,363	4,682
Impairment	15,226	12,000
Carried forward tax losses	534,813	401,012
	637,394	462,571

Deferred tax liabilities:		
Deferred tax on gain on sale of subsidiary	84,675	-
	84,675	-

8. Cash and cash equivalents

	Consolidated	
	2015	2014
	\$	\$
Cash at bank and on hand	1,894,581	1,984,635
	1,894,581	1,984,635

9. Intangible assets

	Intellectual Property \$	Total \$
Gross Carrying amount		
Balance as per 1 July 2013	80,000	80,000
Additions	10,830	10,830
Accumulated amortisation and impairment 2013	(40,000)	(40,000)
Balance as per 1 July 2014	50,830	50,830
Disposal on sale of subsidiary	(754)	(754)
Accumulated amortisation and impairment	(50,000)*	(50,000)
Balance as per 30 June 2015	76	76

*In relation to Awesome Group assets

Impairment Testing

The ultimate recovery of the value of the entity's intangible assets is primarily dependent on the achievement of sales forecast or, alternatively, realisation by sale. An impairment test was prepared on the financial projections prepared by the entity and has been based on the best-estimate assumptions of the entity's management.

The intangible assets have been written down to their estimated realisable value as determined by the Directors.

10. Financial Assets

	Consolidated	
	2015	2014
	\$	\$
Current		
Convertible Note – Professional Performance Systems (PPS)	1,500,000	-
	1,500,000	-

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

PPS has issued a senior zero coupon convertible note to DVI on the following terms:

- (i) PPS may drawdown a maximum of \$1.5m in two tranches
- (ii) Term: 36 months from first drawdown subject to conversion as per item (iv)
- (iii) Conversion Price: \$15,000 per PPS share
- (iv) Conversion Event: Any time at election of DVI during the term of the note, no compulsory conversion.
- (v) Security: PPS has granted a security interest over all of its present and future assets in favour of DVI over as security for the convertible note.

11. Trade and other receivables

	Consolidated	
	2015	2014
	\$	\$
Current		
Trade receivables	48,400	9,930
Other receivables	34,987	27,953
	83,387	37,883

Receivables have been recorded at their recoverable values. There are no trade receivables past due or impaired at the year end.

12. Security Deposits

	Consolidated	
	2015	2014
	\$	\$
Current	-	3,300
	-	3,300

13. Other assets

	Consolidated	
	2015	2014
	\$	\$
Other assets	1,200	1,800
	1,200	1,800

14. Trade and other payables

	Consolidated	
	2015	2014
	\$	\$
Trade payables	154,398	32,487
Other payables	108,514	209,516
	262,912	242,003

There are no overdue payables at year end.

15. Remuneration of auditors

	Consolidated	
	2015	2014
	\$	\$
During the year the following fees (exclusive of GST) were paid or payable for services provided by the auditor of the Company:		
Audit services		
Audit and review of financial report and other audit work under the <i>Corporations Act 2001</i>	57,689	36,151
Non-audit services		
Other services provided	-	-
Total remuneration for audit and other services	57,689	36,151

The auditors of Disruptive Investment Group Limited are Stantons International.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

16. Contributed equity

(a) Issued share capital

	Consolidated	
	2015 Shares	2014 Shares
Ordinary shares fully paid	697,890,999	396,424,051

(b) Movement in ordinary share capital

Date	Details	Number of shares	\$
1 July 2013	Opening balance	309,829,051	38,695,249
4 November 2013	Share placement	46,400,000	1,345,600
4 November 2013	Exercise of options	7,935,000	79,350
31 March 2014	Share placement	31,700,000	697,400
16 April 2014	Exercise of options	560,000	5,600
	Less: Capital raising costs	-	(186,988)
30 June 2014	Balance at the end of the year	396,424,051	40,636,211

Date	Details	Number of shares	\$
1 July 2014	Opening balance	396,424,051	40,636,211
15 September 2014	Acquisition of Escape Lounge Pty Ltd	2,758,620	80,000
16 December 2014	Remuneration of director	3,749,996	37,500
16 December 2014	Acquisition of Professional Performance Systems Pty Ltd	32,500,000	325,000
29 December 2014	Exercise of options	8,625,000	86,250
30 December 2014	Share placement	27,500,000	330,000
31 December 2014	Exercise of options	5,500,000	55,000
19 February 2014	Share placement	83,333,332	975,000
	Deferred share consideration for Find Solutions Australia Pty Ltd	-*	320,040
30 April 2015	Share placement	137,500,000	1,650,000
	Less: Capital raising costs	-	(158,828)
30 June 2015	Balance at the end of the year	697,890,999	44,336,173

*Please refer to note 19 of the financial report.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands or on a poll every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote.

17. Reserves

(a)	2015 \$	2014 \$
Other reserves		
Options at the end of the year	1,500	1,500
Movement in translation reserve	1,691	-
Reserves	3,191	1,500

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(b)

Movement in options

Date	Details	Number of Options	Fair Value / Issue Price	\$
1 July 2013	Opening Balance	60,369,659	0.0025 cents	1,500
4 November 2013	Exercise of options	(7,935,000)		-
16 April 2014	Exercise of options	(560,000)		-
30 June 2014	Balance at the end of the year	51,874,659		1,500

Date	Details	Number of Options	Fair Value / Issue Price	\$
1 July 2014	Opening Balance	51,874,659	0.0025 cents	1,500
29 December 2014	Exercise of options	(8,625,000)		-
31 December 2014	Exercise of options	(5,500,000)		-
31 December 2014	Expiry of options	(37,749,659)		-
30 June 2015	Balance at the end of the year	-		1,500

18. Commitments for expenditure

At 30 June 2015 the company had no commitments other than employment contracts.

19. Contingent liabilities and contingent assets

On 19 December 2014, DVI entered into a non-binding term sheet to acquire up to 100% in Find Solutions Australia (FSA).

On 12 February 2015, it was announced that DVI and FSA agreed to a variation in the proposed terms of the investment in FSA since the original announcement on 19 December 2014. The variation did not alter the equity price or nature of consideration, and DVI continues to have the option of acquiring up to 100% of FSA.

DVI's investment in FSA will occur in three stages;

- The initial 25% investment in of FSA was completed on 30 April 2015 for cash consideration of \$750,000, as well as deferred share consideration of up to 26.67 million shares in DVI if an agreed historic commission receivables target is met by 30 June 2017;
- FSA's founder will issue DVI with two options to acquire the remaining 75% of FSA in two tranches: 25% exercisable by 30 June 2015 ("First Option"); and 50% exercisable between 1 July 2018 and 30 October 2018 ("Second Option");
- On 13 July 2015 the First Option was settled for a cash consideration of \$750,000, as well as deferred share consideration of up to 26.67 million shares in DVI if the agreed historic commission receivables target is met by 30 June 2017.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

20. Related Party transactions

Key management personnel

(a) Key management personnel compensation	2015	2014
	\$	\$
Short-term employee benefits	259,000	187,936
Non-monetary benefits	48,467	12,925
Post-employment benefits	10,925	4,064
Share based payment	29,999	-
	348,391	204,925

Disclosures relating to key management personnel are set out in the detailed remuneration disclosures to the Directors' Report. Other than the directors, the Company had 1 employee as at 30 June 2015.

21. Related party disclosure

(a) Key management personnel

Disclosures relating to key management personnel are set out in the detailed remuneration disclosures to the Directors' Report.

(b) Transactions with related parties

Disruptive Capital Pty Ltd, a company associated with Messers Ng, Kolenda and Shiffman charged DVI \$144,000 (exclusive of GST) (2014: \$144,000) and charged PPS entities \$1,818 (excluding GST) for corporate advisory services.

Aura Partners Pty Ltd, a company associated with Messers Ng and Kolenda charged DVI \$86,586 (exclusive of GST) (2014:\$60,783) and charged PPS entities \$2,559 (excluding GST) for accounting services for the year.

Aura Legal Pty. Ltd., a company associated with Messers Ng and Kolenda charged \$494 (exclusive of GST) for legal services for the year (2014: \$1,200).

Aura Capital Pty Ltd, a company associated with Messers Ng and Kolenda charged DVI \$16,000 (exclusive of GST) for corporate advisory services (2014: \$Nil). The company also charged PPS entities \$6,151 (excluding GST) for corporate advisory services.

Alia Group Pty Ltd, a company associated with Adir Shiffman charged DVI \$8,000 (exclusive of GST) for corporate advisory services (2014: Nil).

Innovate Online Pty Ltd, a company associated with Adir Shiffman charged PPS entities \$29,883 (exclusive of GST) for search marketing services.

(c) Outstanding Balances arising from sales/purchases of goods and services

Disruptive Capital Pty Ltd is owed \$84,000 (excluding GST) at the reporting date in relation to transactions with DVI.

Aura Capital Pty Ltd is owed \$16,000 (excluding GST) at the reporting date in relation to transactions with DVI.

Alia Group Pty Ltd is owed \$8,000 (excluding GST) at the reporting date in relation to transactions with DVI.

Innovate Online Pty Ltd is owed \$21,910 (excluding GST) at the reporting date in relation to transactions with PPS entities.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

22. Earnings per Share

The following reflects the income and data used in the calculations of basic and diluted profit/(loss) per share:

	30 June 2015 \$	30 June 2014 \$
(Loss) before income tax - group	(108,580)	(1,039,802)
Adjustments:		
Loss attributable to non-controlling interest	-	-
(Loss) used in calculating basic and diluted profit per share	(108,580)	(1,039,802)

	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating:		
Basic (loss) per share	474,062,038	353,276,804
Diluted (loss) per share:	474,062,038	353,276,804
Basic (loss) per share attributable to ordinary equity holders	(\$0.00023)	(\$0.0030)
Diluted (loss) per share attributable to ordinary equity holders	(\$0.00023)	(\$0.0030)

23. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	Consolidated	
	2015 \$	2014 \$
Cash at bank and on hand	1,894,581	1,984,635
	1,894,581	1,984,635

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(b) Reconciliation of profit for the period to net cash flows from operating activities

	Consolidated	
	2015	2014
	\$	\$
(Loss) for the year	(108,580)	(1,039,802)
Adjustments for:		
Depreciation and amortisation	208	2,247
Gain on sale of subsidiary	(875,183)	-
Share of net losses from jointly controlled entity	297,542	-
Share based remunerations	29,999	-
Impairment	10,000	40,000
Operating loss before changes in operating assets and liabilities	(646,014)	(997,555)
(Increase)/Decrease in trade and other receivables	(45,504)	1,774
(Decrease)/Increase in trade and other payables net of payables held for sale	20,909	122,910
Increase in prepayments	39,697	(54,873)
(Decrease)/Increase in provisions and employee benefits	(6,654)	9,319
Net cash (used in) operating activities	(637,566)	(918,425)

24. Group entities

	Country of incorporation	Ownership interest	
		2015	2014
Parent entity			
Disruptive Investment Group Limited			
Subsidiary's			
Disruptive Opportunities No.1 Pty Ltd	Australia	-%	100%
Awesome Water (Australia) Pty Ltd	Australia	100%	100%
Cheaphotels.com.au Pty. Ltd.	Australia	-%	100%
Disruptive Exe Pty. Ltd.	Australia	100%	100%

*Refer to note 26 for investment in jointly controlled entity.

25. Subsequent events

As announced to the ASX on 1 July 2015, the Company exercised its First Option to acquire a further 25% in FSA for cash consideration of \$750,000. Settlement occurred in 13 July 2015. DVI now holds a 50% stake in FSA, the owner and operator of leading off-the-plan property marketplace IbuyNew.com.au.

Following settlement, DVI Board member Mr John Kolenda was appointed to FSA's Board of Directors.

26. Investment in jointly controlled entity

On 23 September 2014, the Company acquired a 38.73% interest in PPS, a jointly controlled entity involved in providing travel services.

On 30 April 2015, the Company acquired a 25% interest in FSA, owner and operator of leading online off-the-plan property marketplace IbuyNew.com.au.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

The carrying amount of the investments is accounted for using the equity method

The investment is made up of:

	2015	
	\$	
	PPS	FSA
Cash consideration paid	-	750,060
Share-based payment/Equity transfer	1,375,000	320,040
Costs of acquisition	33,544	55,693
Share of (loss)/profit for period	(313,338)	17,487
	1,095,206	1,143,280

(a) Equity accounted investment

PPS and FSA are limited liability companies that are not listed on any public exchange. The following table illustrates summarised financial information of the Company's investment in PPS and FSA (including the effects of the Company's fair value adjustments)

	2015	
	\$	
Share of (loss)/profit statement of financial position	PPS	FSA
Current assets	1,937,081	268,776
Non-current assets	812,052	10,764
	2,749,133	279,540
Current liabilities	(3,351,113)	(209,987)
Non-current liabilities	(316,811)	-
	(3,667,924)	(209,987)
Net Liabilities/Assets	(918,791)	69,553
(Loss)/profit for the period	(315,029)	17,487
Share of jointly controlled entity's statement of profit or loss and other comprehensive income*		
Share of comprehensive income for the period*	(313,338)	17,487

*From the date of investment.

27. Parent entity information

Statement of Financial Position

As at 30 June 2015

	Parent 2015 \$	Parent 2014 \$
Current assets		
Cash and cash equivalents	1,894,581	1,965,434
Trade and other receivables	83,387	19,623
Prepayments	25,673	54,873
Total current assets	2,003,641	2,039,930

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

Non-current assets

Intangible assets	76	10,076
Investment in joint venture entities	2,534,336	-
Financial assets	1,500,000	-
Other assets	1,200	605,876
Total non-current assets	4,035,612	615,952

Total assets	6,039,253	2,655,882
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Current liabilities

Trade and other payables	262,912	150,620
Provision	2,664	-
Total current liabilities	265,576	150,620

Total liabilities	265,576	150,620
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NET ASSETS	5,773,677	2,505,262
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Equity

Issued capital	44,336,173	40,636,211
Reserves	1,500	1,500
Accumulated (losses)	(38,563,996)	(38,132,449)

TOTAL EQUITY	5,773,677	2,505,262
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Result of parent entity

(Loss) for the year	(431,566)	(419,294)
Other comprehensive income	-	-
Total comprehensive loss for the year	(431,566)	(419,294)

The parent company has not provided any guarantees. The deferred consideration of the parent company are the same as those of the consolidated entity.

28. Share based payment

	Consolidated	
	2015	2014
	\$	\$
Directors remuneration ⁽ⁱ⁾	37,500	-
Acquisition of Find Solutions Australia Pty Ltd ⁽ⁱⁱⁱ⁾	320,040	-
Acquisition of Escape Lounge ⁽ⁱⁱ⁾	80,000	-
Acquisition of Professional Performance Systems ^(iv)	325,000	-
	762,540	-

⁽ⁱ⁾ On 16 December 2014, the Company issued 3,749,996 shares at \$0.01 per share to Director Andrew Jensen. Total shares worth \$37,500 were issued in lieu of one year's service (pro-rata). A total of \$29,999 being his remuneration to 30 June 2015.

⁽ⁱⁱⁱ⁾ On 15 September 2014, the Company issued 2,758,820 shares at \$0.029 per share to the vendors of Escape Lounge Pty Ltd.

Disruptive Investment Group Limited

Notes to the financial statements for the year ended 30 June 2015

(iii) On 31 April 2015, the Company issued 26,670,000 shares at \$0.012 per share to the vendors of Find Solutions Australian Pty Ltd as deferred consideration for the acquisition of the initial 25% of the company.

(iv) On 23 September 2014, the Company issued 32,500,000 shares at \$0.010 per share to the vendors of Professional Performance Systems.

No options were issued during the year.

Disruptive Investment Group Limited (formerly Allied Consolidated Limited)

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report are set out below

The shareholder information was applicable as at 30 June 2015:

(a) Substantial shareholders

The substantial shareholders are:

Name	Number Held	Percentage of Issued Shares
ACK PTY LTD <MARKOFF SUPERANNUATION FUND NO.2 A/C>	37,500,000	5.37%
MR LEONARD GAVIN PADOWITZ	31,252,300	4.48%

(b) Voting rights

Ordinary shares

On a show of hands every member present at a meeting shall have one vote and upon a poll each share shall have one vote.

Options

There are no voting right attached to options

(c) Distribution of equity security holders

Category	Ordinary Fully Paid Shares	%
100,001 and Over	680,326,029	97.48
10,001 to 100,000	15,560,205	2.23
5,001 to 10,000	902,118	0.13
1,001 to 5,000	867,055	0.12
1 to 1,000	235,592	0.03
Total	697,890,999	100.00

There were 1,181 holders of less than marketable parcels of ordinary shares.

Disruptive Investment Group Limited (formerly Allied Consolidated Limited)

(d) Equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

	Name	Number Held	Percentage of Issued Shares
1	ACK PROPRIETARY LIMITED	37,500,000	5.37
2	MR LEONARD GAVIN PADOWITZ	31,252,300	4.48
3	MRS SARAH CAMERON	20,000,000	2.87
4	MR JOHN COLIN LOOSEMORE & MRS SUSAN MARJORY LOOSEMORE	16,250,000	2.33
5	MR KAR WING NG & MS YOW TING LEE	15,180,000	2.18
6	UNITED EQUITY PARTNERS PTY LTD	14,500,000	2.08
7	BBHF PTY LTD	14,000,000	2.01
7	M & M GLOBAL SERVICES PTY LTD	14,000,000	2.01
8	DARING INVESTMENTS PTY LTD	13,680,000	1.96
9	CRX INVESTMENTS PTY LTD	13,500,000	1.93
10	WALLIS-MANCE PTY LIMITED	13,010,700	1.86
11	PERLE VENTURES PTY LTD	12,878,788	1.85
12	ICON OCEANIA CORPORATION PTY LTD	12,500,000	1.79
13	CAVEAU CAPITAL INVESTMENTS PTY LTD	11,930,000	1.71
14	MR GRAHAM JOHN BAILEY & MRS ANNETTE MAREE BAILEY	11,363,636	1.63
15	AGEO HOLDINGS PTY LTD	11,000,000	1.58
16	MRS LISA PINKUS	9,000,000	1.29
16	MR GREGORY MAURICE PINKUS & MRS LISA MARIE PINKUS	9,000,000	1.29
17	AUST EXECUTOR TRUSTEES LTD	8,636,666	1.24
18	ABL CONSULTING PTY LTD	8,333,334	1.19
19	DAVMI PTY LTD	8,000,000	1.15
20	HAYDEN SCOTT	7,600,000	1.09
	Total	313,115,424	44.87