

**IODM PTY LTD  
ACN 605 978 247**

**FINANCIAL REPORT  
FOR THE SIX MONTHS ENDED  
31 DECEMBER 2015**

**Liability limited by a scheme approved under  
Professional Standards Legislation**

**IODM PTY LTD**  
**ACN 605 978 247**

**CONTENTS**

Income Statement	1
Balance Sheet	2
Notes to the Financial Statements	3
Directors' Declaration	8
Auditor's Report	9
Detailed Profit and Loss Statement	11

IODM PTY LTD  
ACN 605 978 247

INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

	Note	2015 \$
Income		
Revenue		10,145
Expenditure		
Consultancy expenses		(163,574)
Freight and courier		(430)
Other expenses		(31,457)
		(185,316)
Loss for the period		(185,316)
Retained earnings at the beginning of the financial period		-
Loss		(185,316)

The accompanying notes form part of these financial statements.

**IODM PTY LTD**  
**ACN 605 978 247**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2015**

	Note	2015 \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	3	309,293
Trade and other receivables	4	19,310
<b>TOTAL CURRENT ASSETS</b>		<u>328,603</u>
<b>NON-CURRENT ASSETS</b>		
Intangible assets	5	43,988
<b>TOTAL NON-CURRENT ASSETS</b>		<u>43,988</u>
<b>TOTAL ASSETS</b>		<u>372,591</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and Other Payables	6	556,783
<b>TOTAL CURRENT LIABILITIES</b>		<u>556,783</u>
<b>TOTAL LIABILITIES</b>		<u>556,783</u>
<b>NET ASSETS (LIABILITIES)</b>		<u>(184,192)</u>
<b>EQUITY</b>		
Issued capital		
112,353 Ordinary Shares fully Paid to \$0.01		1,124
Accumulated losses	7	(185,316)
<b>TOTAL EQUITY</b>		<u>(184,192)</u>

The accompanying notes form part of these financial statements.

**IODM PTY LTD  
ACN 605 978 247**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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The financial statements cover the business of IODM PTY LTD and have been prepared to meet the needs of stakeholders and to assist in the preparation of the tax return.

No Comparatives have been shown as the company was incorporated on 21 May 2015

**1 Basis of Preparation**

The Company is non reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

**2 Summary of Significant Accounting Policies**

**Impairment of Non-Financial Assets**

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

**IODM PTY LTD  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

**Cash and Cash Equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**Revenue and Other Income**

Revenue is recognised when the business is entitled to it.

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

**Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Rendering of services**

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

**Other income**

Other income is recognised on an accruals basis when the company is entitled to it.

IODM PTY LTD  
ACN 605 978 247

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

**IODM PTY LTD**  
**ACN 605 978 247**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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**3 Cash and Cash Equivalents**

IODM Cash Management Account	300,096
IODM Pty Ltd	8,080
NAB Bank Account	1,117
	<u>309,293</u>

**4 Trade and Other Receivables**

Current	
Amounts Owing	1,800
GST Receivable	17,510
	<u>19,310</u>

**5 Intangible Assets**

Goodwill at Cost	43,988
Total	<u>43,988</u>

**6 Trade and Other Payables**

Current	
Trade Creditors	13,313
IODM DA Credit Card	70
Secured Notes	483,400
Unsecured Notes	60,000
	<u>556,783</u>

The Secured Notes are a direct obligation of the company secured by the general security Deed Poll over all the assets of the company and shall rank subject to the law in preference to all other unsecured and secured liabilities that have been registered after the registration date of the General Security Poll.



**IODM PTY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	2015
	\$
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<b>7      Accumulated Losses</b>	
Net loss attributable to members of the company	(185,316)
Accumulated losses at the end of the financial period	<u>(185,316)</u>

**8      Contingent Liabilities**

Estimates of the potential financial effect of contingent liabilities that may become payable:

**Contingent Liabilities**

The company has a Contingent Liability to Lodge Partners dependent on the success of the capital raising and sale to listed Entity. The amount payable is in cash and options

IODM PTY LTD  
ACN 605 978 247

**DIRECTORS' DECLARATION**

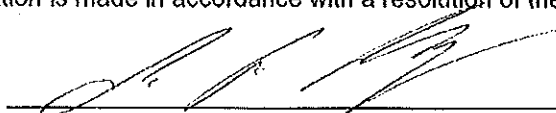
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 7, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards as stated in Note 1; and
  - (b) give a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the six months ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director:

  
Mr Michael Patrick Bugelly

Director:

  
Mr Damian Arena

Dated 16<sup>th</sup> this day of February 2016

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF IODM PTY LTD  
ACN 605 978 247**

**Report on the Financial Report**

I have audited the accompanying financial report, being a special purpose financial report, of IODM PTY LTD, which comprises the balance sheet as at 31 December 2015, and the income statement for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

**Directors' Responsibility for the Financial Report**

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

**Auditor's Responsibility**

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Independence**

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF IODM PTY LTD  
ACN 605 978 247**

**Auditor's Opinion**

In my opinion:

- (a) the financial report of IODM PTY LTD is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the six months ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: CRANAGE PARTNERS  
Chartered Accountants

Name of Principal: \_\_\_\_\_

James E Cranage

Address: 31 Station Street Malvern Vic 3144

Dated 16<sup>th</sup> day of February 2016

**IODM PTY LTD**  
**ACN 605 978 247**

**PROFIT AND LOSS STATEMENT**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	2015 \$
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<b>INCOME</b>	
Interest Received	95
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<b>OTHER INCOME</b>	
Sales - Subscriptions	10,050
	<hr/>
	10,145
	<hr/>
<b>EXPENSES</b>	
Accountancy & Consulting	163,574
Bank Charges	553
Entertainment	1,813
Exhibitions	6,883
Freight & Courier	430
General Expenses	1,614
Insurance	786
Marketing	4,987
Motor Vehicle Expenses	1,591
Printing & Stationery	2
Rebates	662
Rent	3,043
Subscriptions	273
Telephone & Internet	2,059
Text (SMS) Costs	103
Travel - National	6,768
Website Hosting	320
	<hr/>
	195,461
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<b>Loss before income tax</b>	<b>(185,316)</b>

The accompanying notes form part of these financial statements.