HJB CORPORATION LIMITED
ASX - APPENDIX - 4E - RESULTS SUMMARY
RESULTS FOR ANNOUNCEMENT TO THE MARKET

Details of reporting periods

Current	1 July 2015 - 30 June 2016
Comparative	1 July 2014 - 30 June 2015

	30-Jun-16	30-Jun-15	% Variance
Revenue from continuing operations	8,998	17,019	-47%
(Loss)/profit from continuing operations	(738,253)	(532,691)	39%
Impairment of intangibles	(30,000)	-	N/A
Profit from discontinued operations	-	5,135,943	N/A
(loss)/Profit attributable to members of INT Corporation Limited	(768,253)	4,603,251	-117%

Net tangible assets:	**30-Jun-16**	**30-Jun-15**
Current assets	356,373	1,024,502
Less: Liabilities	206,215	136,091
	150,158	888,411
Number of shares	286,876,788	286,876,788
Net tangible assets per ordinary shares (cents)	0.05	0.31

The loss after income tax for HJB Corporation Limited for the financial year of $768,253 (2015: profit of $4,603,251). During the financial year the Company's subsidiary had no trading activity other than entering a strategic alliance with Workible

Additional Appendix 4E disclosure can be found in the Directors' report and the 30 June 2016 financial statements and accompanying notes. This report is based on the 30 June 2016 Annual Financial Report and has been audited by Stantons International Audit and Consulting Pty Ltd.

HJB CORPORATION LIMITED
ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2016
ABN: 90 091 302 975

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CORPORATE DIRECTORY

Directors
Mike Hill– Executive Chairman
Brett Chenoweth – Managing Director
Mike Everett - Non-Executive Director
Michael Pollak – Non-Executive Director

Company Secretary
Andrew Whitten

Auditors
Stantons International
Level 2
1 Walker Avenue
West Perth WA 6005

Solicitors
Whittens Lawyers and Consultants
Level 29
201 Elizabeth Street
Sydney NSW 2000

Bankers
Westpac Banking Corporation
94 Church Street
Middle Brighton VIC 3186

Registered Office
Level 29
201 Elizabeth Street
Sydney NSW 2000

Share Registry
Link Market Services Limited
Level 4 Central Park
152 St Georges Terrace
Perth WA 6000
Investor Enquiries: 1300 554 474
Facsimile: +61 2 9287 0303

Stock Exchange Listing
Securities of HJB Corporation Limited are listed on the Australian Securities Exchange (ASX).
ASX Code: HJB

Website: hjbcorporation.com.au

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of HJB Corporation Limited (**HJB** or the **Company**) and the entities it controlled (the Group) at the end of the financial year ended 30 June 2016.

Directors

The following persons were Directors of the Company during or since the end of the financial year are:

Name	Particulars
Mr Mike Hill	Executive Chairman
Mr Mike Everett	Non Executive Director
Mr Michael Pollak	Non Executive Director
Mr Brett Chenoweth	Managing Director

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

Information on Directors

Mike Hill

Experience and Expertise

Mike has more than 20 years' experience working on corporate and private equity transactions in Australia and the UK. He is a former partner of Ernst & Young in their M&A team and in 2003 joined Ironbridge, a leading Sydney based private equity firm with $1.5bn of funds under management. Mike has worked as a senior member of the investment team at Ironbridge for more than 10 years covering deal assessment, investment management and exit planning across a number of Ironbridge portfolio companies.

Mike has experience across numerous industries where he has served on company boards involved in the technology, retail, healthcare, media, waste services, tourism, hospitality and manufacturing sectors. His involvement with companies in these industries has been to work closely with founders and executive management teams to execute strategic growth objectives.

He is a member of the Institute of Chartered Accountants in Australia.

Other Current Directorships

rhipe Limited (ASX:RHP) (Chairman)
LiveTiles Limited (formerly Modun Resources Limited) (ASX:LVT) (Non-executive Director)
JustKapital Litigation Partners Limited (ASX:JKL) (Non-executive Director)
AHAlife Holdings Limited (ASX: AHL) (Executive Chairman)
Prime Media Group Limited (ASX:PRT) (Non-Executive Director)
Noble Mineral Resources Limited (ASX: NMG) (Executive Chairman)

Former Directorships in the Last Three Years

None

Special Responsibilities

Chairperson

DIRECTORS' REPORT

Interests in Shares and Options

- 14,800,000 fully paid ordinary shares
- 13,000,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2017
- 3,500,000 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 8 October 2017
- 3,500,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 8 October 2019

Mike Everett

Experience and Expertise

Michael Everett has more than 25 years of capital markets and advisory experience. He retired from Goldman Sachs in 2013 after 11 years where he was a Managing Director and Co-head of the financing group with the Investment Banking Division in Australia. Prior to joining Goldman Sachs he also worked internationally for a large investment bank and has broad experience across the securities industry. During his career, he has advised a broad range of companies in a variety of industries. In late 2013 he established an independent capital markets advisory firm, Reunion Capital Partners.

Other Current Directorships

AHALife Holdings Limited (ASX: AHL) (Non-executive director)
rhipe Limited (ASX:RHP) (Non-executive director)
Noble Mineral Resources Limited (ASX: NMG) (Non-executive director)

Former Directorships in the Last Three Years

None

Special Responsibilities

None

Interests in Shares and Options

- 20,400,000 fully paid ordinary shares
- 9,500,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2017
- 4,750,000 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 8 October 2017
- 4,750,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 8 October 2019

Michael Pollak

Experience and Expertise

Michael holds a Bachelor of Commerce, is a Chartered Accountant and has an MBA in strategy from the Australian Graduate School of Management. Michael commenced his career at PricewaterhouseCoopers over 15 years ago. Michael has gained valuable experience in both Sydney and London in general management, audit, insolvency, corporate advisory and strategy across a wide range of industries, including financial services, professional services, retail, mining and manufacturing. Michael has been involved in the restructuring, recapitalisation and relisting of a number of ASX listed entities.

Other Current Directorships

MOQ Limited (ASX: MOQ) (Non-executive director)
UCW Limited (ASX: UCW) (Non-executive director)

DIRECTORS' REPORT

Former Directorships in the Last Three Years

Disruptive Investment Company Limited (ASX: DVI) (Non-executive director)
rhipe Limited (ASX:RHP) (Non-executive director)
Metalicity Limited (ASX:MCT) (Non-executive director)

Special Responsibilities

None

Interests in Shares and Options

- 18,600,000 fully paid ordinary shares
- 5,500,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2017
- 1,250,000 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 8 October 2017
- 1,250,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 8 October 2019

Brett Chenoweth

Experience and Expertise

Brett was most recently the Chief Executive Officer and Managing Director of APN News and Media Limited. He has more than 20 years of professional experience working exclusively in the areas of media, technology, telecommunications and online businesses, having also held senior executive roles at Telecom New Zealand (including Head of Group Strategy and Mergers & Acquisitions; Head of Australian Consumer Group; Director on a number of TCNZ Group Boards), the Publishing and Broadcasting Limited Group (ecorp Ltd and ninemsn Pty Ltd: Head of Business Development) and Village Roadshow Pictures Pty Ltd (General Manager and Vice President). Brett has been a director of a number of private and public companies over the past 15 years in the media, telecommunications, and technology and entertainment sectors, both in Australia, New Zealand, Asia and the United States. He is currently Chairman of Yellow Pages Group (NZ).

Other Current Directorships

Noble Mineral Resources Limited (ASX: NMG) (Executive director)

Former Directorships in the Last Three Years

APN News and Media Limited (ASX: APN) (CEO and Managing Director)

Special Responsibilities

Managing Director

Interests in Shares and Options

- 20,400,000 fully paid ordinary shares
- 13,000,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2017
- 3,500,000 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 8 October 2017
- 3,500,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 8 October 2019

Company Secretary

Andrew Whitten

DIRECTORS' REPORT

Principal activities

The Group's principal activities during the financial year consisted of activities in the recruitment industry.

Dividends

No dividends have been paid for the year ended 30 June 2016 (2015: $Nil).

Review of operations

The Group has been focused on working with its technology and marketing partners to exploit its assets including its customer base. On the 10 December 2015 HJB Corporation Limited announced that its wholly owned subsidiary entered into a strategic alliance agreement with Workible – a leading recruitment technology provider and online recruitment solution. The Strategic Alliance includes the potential for Workible to offer job services to employers that HJB has a relationship with, as well as offering the provision of training and job opportunities to job seekers that HJB has a relationship with. Workible will be providing the technology and fulfilment capability, whereas HJB will be providing access to its database of employers and candidates, with the revenue received from the Strategic Alliance being split between HJB and Workible.

The Group has also continued to assess acquisition opportunities both within and outside the recruitment sector.

The loss after income tax for the financial year was $768,253 (2015: profit of $4,603,251).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the year.

Significant events after balance date

There were no significant events subsequent to balance date.

Incomplete records

The management and affairs of the Company and all its controlled entities were not under the control of the Directors of the Company since it entered into voluntary administration on 12 September 2013 until the DoCA effectuated on 7 July 2014.

The financial report was prepared by Directors who were not in office at the time the Company entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 7 July 2014.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems and the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment. However, it has not been possible for the Directors to obtain all the books and records of the Company for the period prior to their appointment and the effectuation of the DoCA on 7 July 2014.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 for the comparative periods in the financial report, being for the year ended 30 June 2015.

DIRECTORS' REPORT

Directors' meetings

The following table sets out the number of Directors Meetings held during the financial year and the number of meetings attended by each Director (while they were in office):

	Directors Meetings	
Name of directors	**Meetings Held**	**In attendance**
Michael Hill	9	9
Brett Chenoweth	9	9
Michael Everett	9	7
Michael Pollak	9	9

All other business was conducted via circular resolution.

Environmental regulation

The Group is not subject to any significant environmental regulations.

Likely developments and expected results

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

Insurance of directors and officers

During the financial year the Group paid insurance premiums in respect of directors and officers liability insurance so as to insure the Directors of the Group, the Company secretary, and all executive officers of the Group and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The amount paid during the year was $12,657 (2015: $12,664).

Auditor independence

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 43 of the financial report.

Audit services

Stantons International Audit and Consulting Pty Ltd (Stantons International) are the appointed auditors of the Group. The auditor has not been indemnified under any circumstance.

During the financial year $25,259 was paid or is payable for audit services provided by Stantons International (2015: $17,090).

DIRECTORS' REPORT

Non-audit services

No non-audit services were provided by Stantons International in the current financial year. For the year ended 30 June 2015 Stantons International provided non – audit services, being an Independent experts report dated 1 March 2014 for an amount of $7,013.

The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence has not been compromised.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

The remuneration report below reflects the remuneration policies that were adopted by the directors of the Company who were in office at the date of this report. These policies apply since the date of their appointment on 7 July 2014.

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;
4. Share-based compensation, and
5. Shareholding and option holding of directors and other key management personnel.

The information provided under headings 1 to 5 below 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.

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, other than statutory superannuation contributions.

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. As listed below the Key Management personnel included the directors and the Chief Financial Officer. 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 (audited)

2016

Directors	**Base Salary/Fees $**	**Post-employments benefits – Superannuation $**	**Share based payments $**	**Total S**
Michael Hill	114,155	10,845	-	125,000
Michael Everett	25,000	-	-	25,000
Brett Chenoweth	100,000	-	-	100,000
Michael Pollak	22,831	2,169	-	25,000
Total	261,986	13,014	-	275,000
Key Management Personnel				
Jonathan Pager	35,000	-	-	35,000

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

2 Details of remuneration (audited)(Continued)

2015

Name of directors	Base Salary/Fees $	Post-employments benefits – Superannuation $	Share based payments $	Total S
Michael Hill	112,314	10,670	14,416	137,400
Michael Everett	24,530	-	19,565	44,095
Brett Chenoweth	98,118	-	14,416	112,534
Michael Pollak	22,463	2,134	5,149	29,746
Total	257,425	12,804	53,546	323,775
Key Management Personnel				
Jonathan Pager	34,341	-	5,149	39,490

3 Service agreements (audited)

The 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 2001*, or are not re-elected to office.

The directors and key management personnel entered into service agreements on the following terms:

- Mr Mike Hill (Executive Chairman) - Base salary (including director's fees) of $250,000 (including superannuation or similar contributions).
- Mr Brett Chenoweth (Managing Director) - Base fee (including director's fees) of $200,000 excluding GST.
- Mr Michael Everett (Non-executive Director) - Base fee (including director's fees) of $50,000 excluding GST.
- Mr Michael Pollak (Non-executive Director) - Base salary (including director's fees) of $50,000 (including superannuation or similar contributions).
- Mr Jonathan Pager (Chief Financial Officer) and Advisory Committee - Base fee of $70,000 excluding GST.
- If the Company terminates the agreement with reason (such as gross misconduct, conviction of a major criminal offence or misuse of price sensitive information), the Company will provide the Directors and key management with no notice and will be summarily dismissed. If the Company terminates the agreement without reason (notwithstanding any other provision of the agreement), the Company will provide the Director with 3 months' written notice or make a payment of 3 months' salary in lieu of the notice period.
- The Directors and Key management may terminate the agreement at his sole discretion and at any time, and in doing so is entitled to payment of a fee equivalent to 3 months of their base fees/salary.
- Each of the Directors and key management have agreed to receive 50% of their respective base salary up until the first material acquisition is made by the Company (per the table above reflects 50%), at which time Directors will be paid the outstanding base salary to ensure that each Director receives 100% of their respective base salary for the period from the date of their appointment to the date of the acquisition. The remaining 50% of base salary has been treated as a contingent liability. Thereafter 100% of their respective base salary will be payable monthly. As at the date of this report there are no executives or management personnel engaged by the Company other than the directors and the Chief Financial Officer.

4 Share-based compensation (audited)

There were no share based payments in 2016 (2015: $58,695).

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (Continued)

5 Shareholding and option holding of directors and other key management personnel (audited)

(a) Options

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

2016	Balance at start of the year	Granted during the year as remuneration	Other changes during the year	Balance at end of the year	Vested	Unvested
						(c)
Mike Hill	20,000,000	-	-	20,000,000	16,500,000	3,500,000
Michael Everett	19,000,000	-	-	19,000,000	14,250,000	4,750,000
Brett Chenoweth	20,000,000	-	-	20,000,000	16,500,000	3,500,000
Michael Pollak	8,000,000	-	-	8,000,000	6,750,000	1,250,000
Jonathan Pager	5,000,000	-	-	5,000,000	3,750,000	1,250,000
	72,000,000	-	-	72,000,000	57,750,000	14,250,000

2015	Balance at start of the year	Granted during the year as remuneration	Other changes during the year	Balance at end of the year	Vested	Unvested
Notes		*(a)*	*(b)*			*(c)*
Mike Hill	-	7,000,000	13,000,000	20,000,000	16,500,000	3,500,000
Michael Everett	-	9,500,000	9,500,000	19,000,000	14,250,000	4,750,000
Brett Chenoweth	-	7,000,000	13,000,000	20,000,000	16,500,000	3,500,000
Michael Pollak	-	2,500,000	5,500,000	8,000,000	6,750,000	1,250,000
Jonathan Pager	-	2,500,000	2,500,000	5,000,000	3,750,000	1,250,000
	-	28,500,000	43,500,000	72,000,000	57,750,000	14,250,000

Notes

(a) Management Options granted on 8 October 2014 at no cost on the following terms:
- *(i)* 50% being unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expire on 8 October 2017. These have vested;
- *(ii)* 50% being unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expire on 8 October 2019. These remain unvested.

(b) Options acquired for $0.000025 under the DoCA recapitalisation being unlisted options exercisable at $0.01 per option on or before 30 June 2017. No shares were acquired as a result of exercising options.

(c) Unvested options under *(a)(ii)*

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (Continued)

5 Shareholding and option holding of directors and other key management personnel (audited)

(b) Shareholding

The number of ordinary shares in the Company held during the financial year by each director and other key management personnel, including their personal related parties, are set out below:

2016	Balance at start of the year	Granted during the year as remuneration	Received during the year on the exercise options	Other changes during the year	Balance at end of the year
Mike Hill	14,800,000	-	-	-	14,800,000
Michael Everett	20,400,000	-	-	-	20,400,000
Brett Chenoweth	20,400,000	-	-	-	20,400,000
Michael Pollak	18,600,000	-	-	-	18,600,000
Jonathan Pager	8,000,000	-	-	-	8,000,000
	82,200,000	-	-	-	82,200,000

2015	Balance at start of the year	Granted during the year as remuneration	Received during the year on the exercise options	Other changes during the year	Balance at end of the year
Notes				*(a)*	
Mike Hill	-	-	-	14,800,000	14,800,000
Michael Everett	-	-	-	20,400,000	20,400,000
Brett Chenoweth	-	-	-	20,400,000	20,400,000
Michael Pollak	-	-	-	18,600,000	18,600,000
Jonathan Pager	-	-	-	8,000,000	8,000,000
L Fernandes	2,000,000	-	-	(1,939,394)	60,606
G Doyle	3,846,154	-	-	(3,729,604)	116,550
	5,846,154	-	-	76,531,002	82,377,156

Notes

(a) For Mr Fernandes and Mr Doyle the movement represents the impact of the 33:1 consolidation that occurred on 4 July 2014. For the other directors the movement represents shares acquired under the DoCA recapitalisation and issued on 8 October 2014.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (Continued)

Key Management Personnel

The key management personnel of HJB Corporation Limited are the Directors and Chief Financial Officer as listed above.

Signed in accordance with a resolution of the Directors.

Mike Hill
Executive Chairman
31 August 2016

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance statement is current as at the 30 June 2016 and reflects the corporate governance policies that were approved and adopted by the directors of the Company at that date.

This Corporate Governance Statement sets out HJB Corporation Limited's (the Company's) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (the ASX Principles and Recommendations). The ASX Principles and Recommendations are not mandatory. However, the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in Lieu of the Recommendation.

The board of directors of HJB Corporation Limited are committed to achieving and demonstrating the highest standards of corporate governance.

The Company's current Corporate Governance Statement is available on HJB Corporation Limited website at: www.hjbcorporation.com.au

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 $	2015 $
Revenue from continuing operations	5	8,998	17,019
Expenses			
Business development expenses	6	(259,009)	-
Employee costs	6	(325,069)	(403,128)
Other expenses		(163,173)	(146,582)
Total expenses		(747,251)	(549,710)
Loss before finance costs and impairment		(738,253)	(532,691)
Impairment of intangibles	12	(30,000)	-
		(768,253)	(532,691)
Discontinued operations			
Profit from discontinued operations after tax	20	-	5,135,943
(Loss)/Profit before income tax expense		(768,253)	4,603,251
Income tax expense	7	-	-
(Loss)/ Profit from continuing operations		(768,253)	4,603,251
(Loss)/ Profit is attributable to the members of the Company		(768,253)	4,603,251
Other comprehensive income for the year			
Items that may be reclassified to the profit or loss		-	-
Items that will not be reclassified subsequently to the profit or loss		-	-
Total comprehensive (loss)/ profit		(768,253)	4,603,251
(Loss)/ Profit is attributable to:			
HJB Corporation Limited		(768,253)	4,603,251
		(768,253)	4,603,251
(Loss)/Profit per share from continuing operations attributable to equity holders of the parent entity			
Basic loss per share (cents per share)	24		
- Continuing operations		(0.27)	(0.25)
- Discontinued operations		-	1.90
Diluted loss per share (cents per share)	24		
- Continuing operations		(0.27)	(0.25)
- Discontinued operations		-	1.70

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Notes	2016 $	2015 $
Current Assets			
Cash and cash equivalents	9	349,518	991,686
Trade and other receivables	10	2,867	32,816
Prepayments	11	3,988	-
		356,373	1,024,502
Non Current Assets			
Intangible assets	12	20,000	50,000
		20,000	50,000
Total Assets		376,373	1,074,502
Current Liabilities			
Trade and other payables	13	206,215	136,091
Total Liabilities		206,215	136,091
Net Assets		**170,158**	**938,411**
Equity			
Contributed equity	14	28,704,000	28,704,000
Reserves	15	85,160	85,160
Accumulated losses	15	(28,619,002)	(27,850,749)
Total Equity		**170,158**	**938,411**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Issued Capital $	Options Premium Reserve $	Share Based Payments Reserve $	Accumulated Losses $	Total Equity $
Balance as at 1 July 2015	28,704,000	1,750	83,410	(27,850,749)	938,411
Net loss for the year	-	-	-	(768,253)	(768,253)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(768,253)	(768,253)
Transactions with owners in their capacity as owners					
Option Issue	-	-	-	-	-
Share issue net of costs	-	-	-	-	-
Total transactions with owners in their capacity as owners	-		-	-	-
Balance as at 30 June 2016	28,704,000	1,750	83,410	(28,619,002)	170,158

	Issued Capital $	Options Premium Reserve $	Share Based Payments Reserve $	Accumulated Losses $	Total Equity $
Balance as at 1 July 2014	27,054,000	-	-	(32,454,000)	(5,400,000)
Net profit for the year	-	-	-	4,603,251	4,603,251
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	4,603,251	4,603,251
Transactions with owners in their capacity as owners					
Option Issue	-	1,750	83,410	-	85,160
Share issue net of costs	1,650,000	-	-	-	1,650,000
Total transactions with owners in their capacity as owners	1,650,000	1,750	83,410	-	1,735,160
Balance as at 30 June 2015	28,704,000	1,750	83,410	(27,850,749)	938,411

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 $	2015 $
Cash flow from operating activities			
Receipts from customers		-	-
Payments to suppliers and employees		(651,166)	(477,333)
Interest received		8,998	17,019
DOCA Settlement		-	(964,067)
Net cash (used in) operating activities	23	(642,168)	(1,424,381)
Cash flow from investing activities			
Proceeds on sale of property plant and equipment		-	-
Net cash generated by investing activities		-	-
Cash flow from financing activities			
Proceeds from syndicate loan		-	200,000
Repayment of syndicate loan		-	(28,000)
Proceeds from issue of shares and options		-	1,480,000
Net cash generated by financing activities		-	1,652,000
Net (decrease)/increase in cash and cash equivalents		(642,168)	227,619
Cash and cash equivalents at beginning of year		991,686	764,067
Cash and cash equivalents at end of year	9	**349,518**	**991,686**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover HJB Corporation Limited ("HJB") and its controlled entities (the Group). HJB is a company limited by shares, incorporated and domiciled in Australia.

The principal accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report are set out below. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations, and comply with other requirements of the law where possible (refer to note 1(c) below).

The financial report of HJB also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (refer to Note 1(c) below).

The financial report has been prepared on the historical cost basis.

The consolidated financial statements were authorised for issue by the Board of Directors on 31 August 2016.

(b) Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements.

The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 January 2015 but determined that their application to the financial statements is either not relevant or not material.

(c) Incomplete records

The management and affairs of the Company and all its controlled entities were not under the control of the Directors of the Company since it entered into voluntary administration on 12 September 2013 until the DOCA effectuated on 7 July 2014.

The financial report was prepared by Directors who were not in office at the time the Company entered voluntary administration or for the periods presented in this report. The Directors who prepared this financial report were appointed on 7 July 2014.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems, the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period of their appointment. However, it has not been possible for the Directors to obtain all the books and records of the Company for the period prior to their appointment and the effectuation of the DoCA on 7 July 2014.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 for the comparative periods in the financial report, being for the year ended 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Going concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

For the year ended 30 June 2016 the consolidated entity incurred a net loss of $768,253 (2015: profit of $4,603,251) and had working capital of $150,158 (2015:$888,411). Based upon the Group's existing cash resources of $349,518 (2015: $991,686), on the ability to modify expenditure outlays if required, and to source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the financial report for the year ended 30 June 2016.

The Board of Directors are aware, having prepared a cashflow forecast, of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months.

In the event that the Group is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial report.

(e) Principles of consolidation

Subsidiaries

The consolidated financial statements for the year ended 30 June 2016 incorporate all of the assets, liabilities and results of the parent (HJB Corporation Limited) and all of the subsidiaries. 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 22.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Company from the date on which control is obtained by the Company. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Company 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 Company.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Company are presented as "non-controlling interests". The Company 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 profit and loss and other comprehensive income.

(f) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fair Value of Assets and Liabilities (Continued)

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets.

Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

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.

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.

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:

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fair Value of Assets and Liabilities (Continued)

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 (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

(g) Segment reporting

The Group has applied AASB8 Operating Segments from 1 July 2009. AASB8 requires 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. The consolidated entity operates in one industry segment being the recruitment industry. As a result no additional business segment information has been provided.

Operating segments are now reported in a manner with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of directors.

(h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the billings have been resolved.

Revenue for the major business activities is recognised as follows:

- Temporary placements: On receipt and processing of a timesheet from the temporary employee or contractor;
- Permanent placement: In stage payments once the service has been performed or on appointment as accepted by both the client and the candidate.

Amounts disclosed as revenue are net of credit notes raised in respect of services requiring replacement.

Interest income is recognised on a time proportion basis using the effective interest method. When receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(i) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the same time of the transaction affects neither accounting nor taxable profit nor loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Income tax (Continued)

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred 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 losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax asset and tax liabilities are offset where the entity has a legally enforceable right to offset and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(j) Business combinations

The acquisition method is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity interests issued or liabilities incurred by the acquirer to former owners of the acquire and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, and the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition date.

Where the business combination is achieved in stages, the consolidated entity re-measures its previously held equity interest in the acquiree at the acquisition date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset is recognised in profit or loss. Contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

The difference between the acquisition date fair value acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition date, but only after a re-assessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the re-measurement period, based on the new information obtained about the facts and circumstances that existed at the acquisition date. The re-measurement period ends on either the earlier of:

- 12 months from the date of the acquisition, or
- When the acquirer receives all the information possible to determine fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment of assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separate identifiable cash flows which are largely independent of the cash flows from other assets or Group of assets (cash generating unit). Non-financial assets other than goodwill, which suffered impairment, are reviewed for possible reversal of the impairment at each reporting date.

(l) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents include cash on hands, deposits at call with financial institutions, and other highly liquid investments with short periods to maturity (less than three months) which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, and bank overdrafts . Bank overdrafts are shown within borrowings in current liabilities in Statement of Financial Position.

(m) Trade receivables

Trade receivables are recognised at fair value, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and the default or delinquency in payment are considered indicators that the trade receivables are impaired. The amount of the impairment provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment provision is recognised in profit or loss within other expenses. When a trade receivable for which an impairment provision had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(n) Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company' share of the net identifiable assets of the acquired subsidiary / associate at the date of acquisition. 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. Instead, goodwill is tested for impairment 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.

Goodwill is allocated to cash-generating unit for the purpose of impairment testing.

Software

Costs incurred on software and their implementations are treated as intangible assets. The Group capitalises certain direct labour costs of those persons directly involved with the development and implementation of systems where the systems contribute to future period financial benefit through revenue generation and/or cost reduction. The capitalised costs are amortised over the period of 2.5 years in which the benefit will be received.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Trade and other creditors

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

(p) Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, and annual leave, including non monetary benefits, expected to be settled within 12 months of the reporting date are recognised in other creditors, in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measure at the rates paid or payable.

Profit share and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is recognised in other creditors when there is no realistic alternative but to settle the liability and at least one of the following conditions is met:

- There are formal terms in the plan for determining the amount of the benefit;
- The amounts to be paid are determined before the time of completion of the financial report; or
- Past practice gives clear evidence of the amount of the obligation.

Superannuation

The consolidated entity participates in a defined contribution plan. The amount charged to the Statement of Profit or Loss and Other Comprehensive Income in respect of superannuation represents the contributions paid or payable by the consolidated entity to the superannuation fund during the reporting period.

Termination benefits

Liabilities for termination benefits, not in connection with the acquisition of an entity or operation, are recognised when the Company is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. The liabilities for termination benefits are recognised in other creditors unless the amount or timing of the payment is uncertain, in which case they are recognised as provisions.

Liabilities for termination benefits include payments as a consequence of termination or those that are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled. Amounts expected to be settled more than 12 months from the reporting date are measured as the estimated cash outflows, discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future payments, where the effects of discounting is material.

Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employees benefits to which to which they relate are recognised as liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are recognised as a deduction from equity, net of any tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, for the acquisition of a business, are not included in the cost of acquisition as part of the purchase consideration.

(r) Dividends

Provision is made for the amount of any dividend declared, determined or publically recommended by the Directors on or before the end of the financial year but not distributed at the reporting date.

(s) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the operating profit after tax attributable to members of the Group by the weighted average number of ordinary shares outstanding during the financial year.

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 income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(t) Loans and receivables

Loans and receivables are non derivative financial assets with fixed and determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Trade and other receivables are included in Note 10.

(u) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with the other receivables or payables in the Statement of Financial Position.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) New accounting standards and interpretations

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 will not have a material impact on the Group's financial instruments.

- **AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).**

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.

The directors anticipate that the adoption of AASB 15 will not have an impact on the Group's revenue recognition and disclosures.

- **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 transactions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2: 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 Group.

Key Estimates – Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Group 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.

NOTE 3: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a range of different financial risks, market risks (including foreign exchange risk, and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risk and ageing analysis for credit risk.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group was not exposed to foreign exchange risk during the financial year.

(ii) Cash flow and fair value interest rate risk

The Group has no borrowings and its interest bearing assets are in an at-call cash account with Westpac Banking Corporation Limited at variable rates and were denominated in Australian dollars.

The Group manages its cash flow interest rate risk by evaluating the amounts utilised and assesses other alternatives of funding.

(b) Credit Risk

The Group has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

(c) Liquidity

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. The Group manages its liquidity risk by continuously monitoring forecasts and actual cash flows.

Financing arrangement

The Group did not have any undrawn borrowing facilities at the reporting date:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 3: FINANCIAL RISK MANAGEMENT (Continued)

Maturity of financial liabilities

The table below analyses the Group's financial liabilities grouped based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed are contractual undiscounted cash flows.

	Less than 6 months	6 - 12 months	Between 1 & 2 years	Over 2 years	Total contractual cash flow	Carrying amount liabilities
30 June 2016	**$**	**$**	**$**	**$**	**$**	**$**
Non derivatives						
Interest bearing facility	-	-	-	-	-	-
Non interest bearing	206,215	-	-	-	206,215	206,215
Fixed rate	-	-	-	-	-	-
Total non derivatives	206,215	-	-	-	206,215	206,215

	Less than 6 months	6 - 12 months	Between 1 & 2 years	Over 2 years	Total contractual cash flow	Carrying amount liabilities
30 June 2015	**$**	**$**	**$**	**$**	**$**	**$**
Non derivatives						
Interest bearing facility	-	-	-	-	-	-
Non interest bearing	136,091	-	-	-	136,091	136,091
Fixed rate	-	-	-	-	-	-
Total non derivatives	136,091	-	-	-	136,091	136,091

NOTE 4: SEGMENT REPORTING

(a) Business segments
The consolidated entity operates in one industry segment being the recruitment industry. As a result no additional business segment information has been provided.

(b) Geographical segments
The consolidated entity operates in one geographical segment being Australia. As a result no additional geographical segment information has been provided.

(c) Equity accounting investments
The consolidated entity holds no investments relating to equity accounting.

NOTE 5: REVENUE

	2016	2015
	$	**$**
From continuing operations		
Sales revenue	-	-
Other revenue		
Interest	8,998	17,019
Other	-	-
	8,998	17,019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 6: EXPENSES

	2016 $	2015 $
(Loss)/Profit before income tax includes the following expenses:		
Employment Costs (including share based payments)	325,069	403,128
Legal and Professional Fees	112,810	86,650
Business development Costs	259,009	-
Administration Costs	-	59,932
Impairment of intangibles	30,000	-

NOTE 7: INCOME TAX

(a) Income tax expense

	2016 $	2015 $
Current tax	-	-
Deferred tax	-	-
	-	-
Income tax is attributable to:		
Profit from continuing operations	-	-
Deferred income tax expense included in income tax expense comprises:		
Decrease in deferred tax assets	-	-
Decrease in deferred tax liabilities	-	-
	-	-

(b) Reconciliation of income tax expense

	2016	2015
Tax benefit on loss from ordinary activities before income tax at 30%	**$**	**$**
Tax benefit on (loss)/ profit before income tax at 30% (2015: 30%)	230,476	1,380,975
Other (non assessable) / non allowable items	-	(1,221,168)
Deferred tax asset not recognised	(230,476)	(159,807)
Income tax benefit	-	-

Tax losses related to the entity prior to the reconstruction that were not used have been lost. Current tax losses have not been recognised as a deferred tax asset as recoupment is dependent on, amongst other matters, sufficient future assessable income being earned. That is not considered certain in the foreseeable future and accordingly there is uncertainty that the losses can be utilised. There are no deferred tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 8: DIVIDENDS

No dividends are to be paid for the year ended 30 June 2016 or for the year ended 30 June 2015.

	2016 $	2015 $
Franked dividends		
Franking credits available for subsequent financial years based on a tax rate of 30% (2015: 30%)	1,467,951	1,467,951

The above amounts represent the balance of the franking account as at the end of the financial year.

NOTE 9: CASH AND CASH EQUIVALENTS

	2016 $	2015 $
Current		
Cash at bank and on hand	349,518	991,686

NOTE 10: TRADE AND OTHER RECEIVABLES

	2016 $	2015 $
Current		
Trade receivables	2,867	32,816

Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value. Trade receivables as at 30 June 2016 are not considered past due and are fully recoverable hence no impairment provision was made at 30 June 2016.

NOTE 11: PREPAYMENTS

	2016 $	2015 $
Current		
Prepayments	3,988	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 12: INTANGIBLE ASSETS

Consolidated At 30 June 2016	Intellectual property & other software $	Total $
Cost	50,000	50,000
Accumulated amortisation	-	-
Impairment	(30,000)	(30,000)
At 30 June 2016	20,000	20,000
At 1 July 2015	50,000	50,000
Amortisation for the year	-	-
Impairment	(30,000)	(30,000)
At 30 June 2016	20,000	20,000

The board assessed the fair value of the asset to be $20,000 at the end of the financial year . The board has taken a conservative approach and decided to impair intangibles by $30,000 at the financial year end. As such, the 30 June 2016 consolidated financial year loss includes impairment of intangibles totaling $30,000.

Consolidated At 30 June 2015	Intellectual property & other software $	Total $
Cost	50,000	50,000
Accumulated amortisation	-	-
At 30 June 2015	50,000	50,000
At 1 July 2014	50,000	50,000
Amortisation for the year	-	-
At 30 June 2015	50,000	50,000

NOTE 13: TRADE AND OTHER PAYABLES

	2016 $	2015 $
Current		
Trade creditors	196,215	126,091
Auditors fees	10,000	10,000
	206,215	136,091

There are no trade payables that are considered to be past due.

NOTE 14: CONTRIBUTED EQUITY

	2016		2015	
	Number	$	Number	$
(a) Share capital				
Fully paid	286,876,788	28,704,000	286,876,788	28,704,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 14: CONTRIBUTED EQUITY (CONTINUED)

(b) Movements in share capital

	2016		2015	
Details	**Number of shares**	**$**	**Number of shares**	**$**
Opening balance	286,876,788	28,704,000	556,929,634	27,054,000
Share consolidation (1:33) 4 July 2014	-	-	(540,052,846)	-
Share Issue 8 October 2014	-	-	270,000,000	1,650,000
Closing balance	286,876,788	28,704,000	286,876,788	28,704,000

On 4 July 2014 the issued capital of the Company was consolidated such that every thirty three (33) shares were consolidated into one (1) share.

Shares issued on 8 October 2014 were:

- 140,000,000 fully paid ordinary shares an issue price of $0.0025 per share; and
- 130,000,000 fully paid ordinary shares at an issue price of $0.01 per share.

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, every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

NOTE 15: RESERVES AND ACCUMULATED LOSSES

(a) Reserves

	2016 $	2015 $
Options Reserve		
At beginning of the year	1,750	-
Option issue	-	1,750
At end of the year	1,750	1,750
Share based payment reserve		
At beginning of the year	83,410	-
Option issue	-	83,410
At end of the year	83,410	83,410
At end of the year	85,160	85,160

On 8 October 2014, as part of the recapitalisation of the Company, the Company issued 70,000,000 unlisted options at an issue price of $0.000025 per option, exercisable at $0.01 per option and expiring on 30 June 2017 to raise $1,750.

On 8 October 2014, the Company issued 40,500,000 management options for no consideration on the following terms:

(iii) 50% being unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expire on 8 October 2017. These have vested; and

(iv) 50% being unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expire on 8 October 2019. These remain unvested.

The grant of the management options was treated as a share based payment as set out in Note 24 and resulted in $83,410 being booked to the share based payment reserve.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 15: RESERVES AND ACCUMULATED LOSSES (CONTINUED)

(b) Accumulated losses

	2016 $	2015 $
At beginning of the year	(27,850,749)	(32,454,000)
Net (loss)/ profit for the year	(768,253)	4,603,251
At end of the year	(28,619,002)	(27,850,749)

NOTE 16: KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel compensation

	2016 $	2015 $
Short term employee benefits	296,986	291,766
Post employment benefits	13,014	12,804
Share based payment	-	58,696
	310,000	363,266

Refer to the Remuneration Report for further information.

NOTE 17: AUDITOR'S REMUNERATION

	2016 $	2015 $
Amounts paid / payable to Stantons International for audit and review work undertaken under Corporations Act 2001		
Auditing or reviewing the financial report	18,518	17,539
Prior Year Under/(over) accrual	6,741	(449)
	25,259	17,090

NOTE 18: COMMITMENTS

Operating leases

The Company did not have any operating leases for the financial year ended 30 June 2016 (2015: None).

NOTE 19: RELATED PARTIES

(a) Parent entity

The parent entity within the Group is HJB Corporation Limited (formerly Hamilton James & Bruce Group Limited).

(b) Subsidiaries

Interests in subsidiaries are set out in Note 22.

(c) Key management personnel

Disclosures relating to key management personnel are set out in Note 16 and the Directors Report.

(d) Transactions with related parties

Related party transactions include:

- An Analyst fee of $20,000 (2015: $Nil) was paid to Bombora Group Pty Ltd (an entity related to Directors , Mike Hill, Michael Everett, and Brett Chenoweth);
- Repayment of a $Nil (2015:$200,000) syndicate loan (the Syndicate was headed by Pager Partners, an entity related to Jonathan Pager).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 20: DISCONTINUED OPERATIONS

(a) Details of operations disposed

As a result of the Deed of Company Arrangement (DoCA) signed on 24 December 2013 with the followings key terms:

- The syndicate led by Pager Partners would loan the Company $200,000;
- The Company would pay $200,000 to the Deed Administrator for distribution under the DoCA to a Creditors' Trust, in return for secured and unsecured creditors releasing all claims against the Company as well as any charge over the Company;
- Certain unencumbered assets were to be retained by the Company; and
- A Creditors' Trust Deed be established pursuant to the DoCA to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance to be distributed to creditors as full and final payment of the Company's outstanding debts.

The terms of the DoCA were effectuated on 7 July 2014 at which time certain assets and liabilities were transferred to the creditors trust in full and final satisfaction of the Company's outstanding debts.

(b) Financial performance of operations disposed

	2016 $	2015 $
Carrying value of Net Liabilities		5,335,493
Payment to HJB Creditors Trust	-	(200,000)
Net result for the half year	-	-
Net gain on disposal of operations	-	5,135,493

(c) Assets and liabilities of discontinued operations

	2016	2015
Cash and cash equivalents	-	764,067
Trade and other receivables	-	43,109
Trade and other payables	-	(719,692)
Provisions	-	(1,172,359)
Other provisions	-	(4,250,618)
Net liabilities attributable to discontinued operations	-	(5,335,493)

(d) Cash flows used in discontinued operations

	2016	2015
Net cash used in operating activities	-	(964,067)
Net cash from investing activities	-	-
Net cash from financing activities	-	172,000
Net cash outflows for the half year	-	(792,067)

NOTE 21: EVENTS AFTER BALANCE DATE

There were no significant events subsequent to balance date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 22: SUBSIDIARIES

Name of entity		Country of incorporation	Class of shares/units	Equity Holding 2016	Equity Holding 2015
Hamilton James & Bruce (Australia) Pty Limited	Incorporated 19 June 2014	Australia	Ordinary	100%	100%

As at 30 June 2016 the Company only has one subsidiary being Hamilton James & Bruce (Australia) Pty Limited. During the financial year the Company's subsidiary had no trading activity other than entering a strategic alliance with Workible.

NOTE 23: RECONCILIATION OF (LOSS)/PROFIT AFTER INCOME TAX TO CASH OUTFLOW FROM OPERATING ACTIVITIES

	2016 $	2015 $
(Loss)/Profit for the year	(768,253)	4,603,251
Adjustments for non cash items		
Impairment of intangibles	30,000	-
Share based payments	-	83,410
Changes in assets and liabilities		
Decrease in trade and other receivables	29,949	22,617
(Increase) in Prepayments	(3,989)	-
Increase/ (Decrease) in trade and other payables	70,125	(5,425,295)
Decrease in provisions	-	(708,364)
Net cash used in operating activities	(642,168)	(1,424,381)

NOTE 24: EARNING PER SHARE

	2016	2015
Basic (loss) per share - continuing operations (cents per share)	(0.27)	(0.25)
Basic profit per share - discontinued operations (cents per share)	-	1.9
Diluted (loss) per share - continuing operations (cents per share)	(0.27)	(0.25)
Diluted profit per share - discontinued operations (cents per share)	-	1.7
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic (loss) per share	286,876,788	212,904,185
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted (loss) per share	286,876,788	270,784,665

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 25: SHARE BASED PAYMENTS

The result at 30 June 2016 includes a share based payment expense of $Nil (2015: $83,410) related to the issue of NIL (2015: 40,500,000) unlisted management options on 8 October 2014 to the Directors (as outlined in the Remuneration Report) and advisory committee members. The following assumptions were used in determining shares based payments.

	3yr Management Options	5yr Management Options
Amount of Options	20,250,000	20,250,000
Exercise Price (cents)	1.0	1.0
Grant Date	8/10/2014	8/10/2014
Expiry Date	8/10/2017	8/10/2019
Volatility	75%	75%
Vesting discount	50%	75%
Risk Free Rate	3.01%	3.47%
Value per Option (cents)	0.25	0.16
Weighted Average Life (Years)	2.3	4.3

No options have been exercised.

NOTE 26: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Directors' fees
Each of the Directors and the advisory committee members have agreed to receive 50% of their respective base salary up until the first material acquisition is made by the Company, at which time Directors will be paid the outstanding base salary to ensure that each Director receives 100% of their respective base salary for the period from the date of their appointment to the date of the acquisition. The remaining 50% of base salary (true up) has been treated as a contingent liability. Thereafter 100% of their respective base salary will be payable monthly. As at 30 June 2016 the contingent liability associated with the true up is $644,288 (2015:$319,000).

NOTE 27: FINANCIAL INSTRUMENTS

The Company's approach to financial risk management is set out in Note 3. Set out below are the Company's specific financial instrument exposures are:

(a) Credit risk

Exposure to credit risk
The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	Note	2016 $	2015 $
Cash and cash equivalents	9	349,518	991,686
Trade and other receivables	10	2,867	32,816
		352,385	1,024,502

Trade receivables are non-interest bearing with 30 day terms and in Australia.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 27: FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk

The following are contractual maturities of financial instruments, including interest payments, for the Company:

30 June 2016	Carrying amount $	Contract Cash Flows $	6 months or less $	6 - 12 months $	1 - 5 years $	More than 5 years $
Trade and other payables	206,215	206,215	206,215	-	-	-

30 June 2015	Carrying amount $	Contract Cash Flows $	6 months or less $	6 - 12 months $	1 - 5 years $	More than 5 years $
Trade and other payables	136,091	136,091	136,091	-	-	-

(c) Currency risk

For 30 June 2016, the Company has no material currency risk exposure.

(d) Interest rate risk

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments were:

	Carrying Amount 2016 $	Carrying Amount 2015 $
Variable rate instruments		
Cash and cash equivalents	349,518	991,686

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, nor does it have any derivatives designated as hedging instruments under a fair value hedge accounting model. Therefore, a fair value change in interest rates at the reporting date would not affect profit or loss.

(e) Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position, are as follows:

	30 June 2016		30 June 2015	
	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Cash and cash equivalents	349,518	349,518	991,686	991,686
Trade and other receivables	2,867	2,867	32,816	32,816
Trade and other payables	(206,215)	(206,215)	(136,091)	(136,091)
	146,170	146,170	888,411	888,411

DIRECTORS' DECLARATION

1) Subject to the uncertainty over the completeness of source documentation and its impact on comparative disclosure, as disclosed in Note 1(c), in the opinion of the Directors of HJB Corporation 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 2016 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;

   c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and

   d) the audited remuneration disclosures set out on pages 10 to 14 of the Directors' Report comply with accounting standard AASB 124 Related Party Disclosures and the Corporations Regulations 2001.

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 year ended 30 June 2016.

On behalf of the Directors

Mike Hill
Executive Chairman
31 August 2016

Stantons International Audit and Consulting Pty Ltd
trading as
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QUALIFIED INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HJB CORPORATION LIMITED

Report on the Financial Report

We have audited the accompanying financial report of HJB Corporation Limited, which comprises the consolidated statement of financial position as at 30 June 2016, 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 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(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements do not comply with International Financial Reporting Standards.

Auditor's responsibility

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

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

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.

Independence

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

Basis for qualified Auditor's Opinion for the Comparative Period

The company was placed into administration on 12 September 2013 until the date the Deed of Company Arrangement was effectuated, being 7 July 2014. Consequently, the financial information relating to the year ended 30 June 2015 was not subject to the same accounting and internal control processes, which included the implementation and maintenance of internal controls that are relevant to the preparation and fair presentation of the financial report. Whilst the books and records of the company have been reconstructed to the maximum extent possible, we were unable to satisfy ourselves as to the completeness of the general ledger and financial records as well as the relevant disclosures in the financial report for the year ended 30 June 2015.

Accordingly, we cannot form an opinion on the result for the year ended 30 June 2015, as we were unable to satisfy ourselves of the completeness of the Statement of Profit or Loss and other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash flows for the year ended 30 June 2015. Notwithstanding the above, we are satisfied that the statement of financial position as at 30 June 2015 is fairly stated.

As stated in Note 1(c), the current Directors are unable to state that the financial report is in accordance with all the requirements of the Corporations Act 2001 and the Australian Accounting Standards.

Qualified Auditor's Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph;

(a) the financial report of HJB Corporation 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 2016 and of their performance for the year ended on that date and;
 (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in nota 1(a).

Emphasis of Matter Regarding Going Concern

As referred to in 1(d) to the financial statements, the financial statements have been prepared on a going concern basis. At 30 June 2016 the entity had working capital of $150,158, cash and cash equivalents of $349,518 and had incurred a loss for the year amounting to $768,253. The ability of the entity to continue as a going concern is subject to the successful recapitalisation of the entity. In the event that the Board is not successful in recapitalising the consolidated entity and in raising further funds, the Company may not be able to meet its liabilities as they fall due.

Report on the Remuneration Report

We have audited the remuneration report included on pages 10 to 14 of the directors' report for the year ended 30 June 2016. 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

Qualified opinion

Because of the existence of the limitation on scope of our work, as described in the Qualified Auditor's Opinion, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, an opinion on the remuneration report of HJB Corporation Limited for the comparative year ended 30 June 2015 and whether it complies with Section 300A of the Corporations Act 2001.

Notwithstanding the above, in our opinion, the remuneration report of HJB Corporation Limited for the year ended 30 June 2016 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

Martin Michalik
Director

West Perth, Western Australia
31 August 2016

Stantons International Audit and Consulting Pty Ltd
trading as
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31 August 2016

Board of Directors
HJB Corporation Limited
Level 29, 201 Elizabeth Street
Sydney, NSW 2000

Dear Sirs

RE: HJB CORPORATION 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 HJB Corporation Limited.

As Audit Director for the audit of the financial statements of HJB Corporation Limited for the year ended 30 June 2016, 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 LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

ASX ADDITIONAL INFORMATION

AS AT 24 AUGUST 2016 – POST CONSOLIDATION ON 4 JULY 2014

NUMBER OF HOLDERS OF EQUITY SECURITIES - ORDINARY SHARES:

286,876,788 fully paid post consolidation ordinary shares held by 321 individual shareholders

All ordinary shares carry one vote per share

UNQUOTED SECURITIES:

There are 15 holders of 110,500,000 unquoted options.

Options	Number
Unlisted options, exercisable at $0.01 per option, expires on 8 October 2017	70,000,000
Unlisted options, exercisable at $0.01 per option, expires on 8 October 2017	20,250,000
Unlisted and unvested options, exercisable at $0.01 per option, expires on 8 October 2019	20,250,000

There are no holders with more than 20% of the unlisted options.

DISTRIBUTION OF HOLDERS IN EACH CLASS OF EQUITY SECURITIES:

TOTAL HOLDERS FULLY PAID ORDINARY SHARES

Range	Securities	%	No. of holders
100,001 and Over	285,886,517	99.65	98
10,001 to 100,000	795,808	0.28	15
5,001 to 10,000	87,653	0.03	12
1,001 to 5,000	62,590	0.02	26
1 to 1,000	44,220	0.02	156
Total	**286,876,788**	**100.00**	**307**

The number of holders who held less than a marketable parcel of shares was 202 investors and they held 387,357 shares.

SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders who have notified the Company in accordance with Section 671B of the Corporations Act are:

Name	SHARES	%IC
REUNION NOMINEES PTY LTD	20,400,000	7.11
BREBEC PTY LTD	20,400,000	7.11
MRS SALAM NADER	20,400,000	7.11
UNITED EQUITY PARTNERS PTY LTD	18,600,000	6.48
HAYDALEX PTY LTD	18,400,000	6.41
CITICORP NOMINEES PTY LIMITED	16,310,521	5.69
HOLLOWAY COVE PTY LTD	15,000,000	5.23
JARUMITOTI PTY LTD, JARUMITOTI SUPER FUND	14,800,000	5.16

ASX ADDITIONAL INFORMATION

AS AT 24 AUGUST 2016 – POST CONSOLIDATION ON 4 JULY 2014

TOP 20 HOLDERS OF EQUITY SECURITIES

Rank	Name	24 Aug 2016	%IC
1	REUNION NOMINEES PTY LTD	20,400,000	7.11
1	BREBEC PTY LTD	20,400,000	7.11
1	MRS SALAM NADER	20,400,000	7.11
2	UNITED EQUITY PARTNERS PTY LTD	18,600,000	6.48
3	HAYDALEX PTY LTD	18,400,000	6.41
4	CITICORP NOMINEES PTY LIMITED	16,310,521	5.69
5	HOLLOWAY COVE PTY LTD	15,000,000	5.23
6	BELA TEGEUSE PTY LTD	13,800,000	4.81
7	BNP PARIBAS NOMS PTY LTD	13,703,782	4.78
8	JARUMITO PTY LIMITED	12,228,560	4.26
9	TUBBIN INVESTMENTS PTY LTD	10,800,000	3.76
10	NATIONAL NOMINEES LIMITED	8,660,670	3.02
11	JASPAR INVESTMENTS PTY LIMITED	7,460,000	2.60
12	OCEANVIEW SUPER FUND PTY LTD	5,000,000	1.74
13	POLFAM PTY LTD	4,000,000	1.39
14	J P MORGAN NOMINEES AUSTRALIA LIMITED	3,677,712	1.28
15	MRS BELINDA E CURYER	2,900,000	1.01
16	MR JEREMY TOBIAS	2,868,028	1.00
17	JARUMITOTI PTY LTD	2,571,440	0.90
18	LIDIA RANIERI	2,000,000	0.70
18	MARWAYA PTY LTD	2,000,000	0.70
18	PAGER PARTNERS CORPORATE ADVISORY PTY LTD	2,000,000	0.70
18	NOLAN-TOBSCHALL PTY LTD	2,000,000	0.70
18	LUMAHAWI PTY LTD	2,000,000	0.70
18	MR CHRISTOPHER BRIAN SHARP	2,000,000	0.70
18	MAXIM CAPITAL PTY LIMITED	2,000,000	0.70
18	MR PAUL BARRY & MRS SHARON BARRY	2,000,000	0.70
18	VISTRA TRUST (SINGAPORE) PTE LIMITED	2,000,000	0.70
18	SHELCO INVESTMENTS PTY LTD	2,000,000	0.70
18	PINBROOK PTY LIMITED	2,000,000	0.70
19	MR TODD MORGAN ROBERTS & MRS SONIA JAYNE ROBERTS	1,900,000	0.66
19	KAPP SUPERANNUATION PTY LIMITED	1,900,000	0.66
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,750,000	0.61
	Total	**244,730,713**	**85.31**
	Balance of register	**42,146,075**	**14.69**
	Grand total	**286,876,788**	**100.00**