

**JV GLOBAL LTD A.B.N. 80 009 142 125
AND CONTROLLED ENTITIES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**



Corporate Directory

Board of Directors

Collin Vost

Chairman

Justin Vost

Non-Executive Director

Timothy Clark

Non-Executive Director

Company Secretary

John Greeve

Timothy Clark

Registered Office

Shop 12 "South Shore Piazza"

85 South Perth Esplanade

South Perth WA 6151

Contact Details

JV Global Ltd

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South Perth WA 6951

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Fax: +61 8 9367 2450

Email: info@jvglobal.com.au

Website: www.jvglobal.com.au

Corporate Advisors

Kamran Accounting

Suite 12 142 South Terrace

Fremantle WA 6160

Solicitors

Steinepreis Paganin

GPO Box 2799

Perth WA 6001

Auditors

Rothsay Chartered Accountants

Level 1 Lincoln House 4 Ventnor Avenue

West Perth WA 6005

Share Registry

Security Transfer Registrars Pty Ltd

770 Canning Highway

Applecross WA 6153

Stock Exchange Listing

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

ASX Code: Ordinary Shares - JVG

Bankers

National Australia Bank Ltd

Capital Office

100 St Georges Terrace

Perth WA 6000

JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
INDEX

| Contents | Page |
|--|-------------|
| Corporate Governance Statement | 2 |
| Directors' Report | 7 |
| Remuneration Report | 11 |
| Shareholder Information | 14 |
| Statement of Profit or Loss and Other Comprehensive Income | 16 |
| Statement of Financial Position | 17 |
| Statement of Changes in Equity | 18 |
| Statement of Cash Flows | 19 |
| Notes to the Financial Statements | 20 |
| Directors' Declaration | 42 |
| Auditor's Independence Declaration | 43 |
| Independent Auditor's Report to the Members | 44 |

JV GLOBAL LTD (ABN 80 009 142 125) AND CONTROLLED ENTITIES CORPORATE GOVERNANCE

Introduction

The Board is responsible for the corporate governance of the Company. The major processes by which the Board fulfils those responsibilities are described in this statement.

The Board considers that except to the extent expressly indicated in this statement, those corporate governance practices comply with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 3rd Edition 2014 Amendments. Also, except to the extent expressly indicated in this statement, those practices were followed throughout the year.

A copy of the Corporate Governance Statement, the Audit and Risk Management Committee Charter and the Company's Code of Conduct are available in the corporate governance section of the Company's website at www.jvglobal.com.au together with other information which the ASX Corporate Governance Council's recommends be made publicly available.

Corporate Governance Council Recommendation 1 Lay Solid Foundations for Management and Oversight

Role of the Board of Directors

The Board has responsibility for protecting the rights and interests of Shareholders and is responsible for the overall direction, monitoring and governance of the Group. Responsibility for managing the business on a day-to-day basis has been delegated to the Managing Director and the management team.

The Board is responsible for the overall corporate governance of the Group and its subsidiaries. Responsibilities and Functions of the Board are set out under the Board Charter and include:

- i. setting the strategic direction of the Group, establishing goals to ensure that the strategic objectives are met and monitoring the performance of management against these goals and objectives;
- ii. ensuring that there are adequate resources available to meet the Group's objectives;
- iii. appointing the Managing Director, evaluating the performance and determining the remuneration of senior executives, and ensuring that appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- iv. evaluating the performance of the Board and its Directors on an annual basis;
- v. determining remuneration levels of Directors;
- vi. approving and monitoring financial reporting and capital management;
- vii. approving and monitoring the progress of business objectives;
- viii. ensuring that any necessary statutory licenses are held and compliance measures are maintained to ensure compliance with the law and license(s);
- ix. ensuring that adequate risk management procedures exist and are being used;
- x. ensuring that the Group has appropriate corporate governance structures in place, including standards of ethical behaviors and a culture of corporate and social responsibility;
- xi. ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Group;
- xii. Ensuring procedures are in place for ensuring the Group's compliance with the law; and financial and audit responsibilities, including the appointment of an external auditor and reviewing the financial statements, accounting policies and management processes.

In complying with Recommendation 1.1 of the Corporate Governance Council, the Company has adopted a Board Charter which clarifies the respective roles of the Board and senior management and assists in decision making processes.

Diversity Policy

The Board has adopted a diversity policy that considers the benefits of diversity, ways to promote a culture of diversity, factors to be taken into account in the selection process of candidates for Board and senior management positions in the Company, education programs to develop skills and experience in preparation for Board and senior management positions, processes to include review measurable diversity performance objectives for the Board, Managing Director and senior management.

The diversity policy states that the Company will report, where appropriate, in each annual report, the measurable objectives for achieving gender diversity set by the Board.

The following table provides a break-up of the gender diversity in the organisation.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE**

| | Number | % |
|---|--------|----|
| Number of women employees in the whole organisation | 0 | 0% |
| Number of women in senior executive positions | 0 | 0% |
| Number of women on the Board | 0 | 0% |

Board Processes

An agenda for the meetings has been determined to ensure certain standing information is addressed and other items which are relevant to reporting deadlines and or regular review are scheduled when appropriate. The agenda is regularly reviewed by the Chairman, the Managing Director and the Company Secretary.

***Corporate Governance Council Recommendation 2
Structure the Board to Add Value***

Board Composition

The relevant provisions in the Constitution and the Corporations Act determine the terms and conditions relating to the appointment and termination of Directors. All Directors, other than the Managing Director, are subject to re-election every three years.

The Board does not have a separate Nomination Committee comprising of a majority of Independent Directors and as such does not comply with Recommendation 2.4 of the Corporate Governance Council. The Board believes that given the size of the Group and the stage of its development a separate nomination committee is not warranted at this time. Any changes to Directorships will, for the foreseeable future, be considered by the full Board subject to any applicable laws. Identification of potential Board candidates includes consideration of the skills, experience, personal attributes and capability to devote the necessary time and commitment to the role.

The Board consists of Mr Collin Vost, executive Chairman and Managing Director, Mr Justin Vost non-executive Director, and Mr Timothy Clark, non-executive Director.

The Constitution requires a minimum number of three Directors. The maximum number of Directors is fixed by the Board but may not be more than 9, unless the members of the Company, in general meeting, resolve otherwise. The skills, experience and expertise of all Directors is set out in the Directors' section of the Company's website.

The Board considers, however, that given the size and scope of the Group's operations at present, it is appropriately structured to discharge its duties in a manner that is in the best interests of the Group and its Shareholders from both a long-term strategic and operational perspective.

Independent Chairman

The Chairman is not considered to be an independent director and as such Recommendation 2.2 of the Corporate Governance Council has not been complied with. However, the Board believes that Mr Collin Vost is an appropriate person for the position as Chairman because of his industry experience and proven track record as a public company director.

Roles of Chairman and Managing Director

The role of Chairman and Managing Director is exercised by the same individual, and as such the Company does not comply with Recommendation 2.3 of the Corporate Governance Council. However, the Board believes that Mr Collin Vost is an appropriate person for the position of Managing Director because of his industry experience and proven track record as a public company director.

Evaluation of Board Performance

The Company does not have a formal process for the evaluation of the performance of the Board and as such does not comply with Recommendation 2.5 of the Corporate Governance Council. The Board is of the opinion that the competitive environment in which the Company operates will effectively provide a measure of the performance of the Directors. In addition the Chairman assesses the performance of the Board, individual directors and key executives on an informal basis.

Education

All Directors are encouraged to attend professional education courses relevant to their roles.

JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE

Independent Professional Advice and Access to Information

Each Director has the right to access all relevant information in respect of the Group and to make appropriate enquiries of senior management. Each Director has the right to seek independent professional advice at the Group's expense, subject to the prior approval of the Chairman, which shall not be unreasonably withheld.

Corporate Governance Council Recommendation 3
Promote Ethical and Responsible Decision Making

The Board actively promotes ethical and responsible decision making.

Code of Conduct

The Board has adopted a Code of Conduct that applies to all employees, executives and Directors of the Group, and as such complies with Recommendation 3.1 of the Corporate Governance Council. This Code addresses expectations for conduct in accordance with legal requirements and agreed ethical standards.

Security Trading Policy

The Board has committed to ensuring that the Group, its Directors and executives comply with their legal obligations as well as conducting their business in a transparent and ethical manner. The Board has adopted a policy and has procedures on dealing in the Company's securities by directors, officers and employees which prohibits dealing in the Company's securities when those persons possess non public information, and as such complies with Recommendation 3.2 of the Corporate Governance Council.

Corporate Governance Council Recommendation 4
Safeguarding Integrity in Financial Reporting

Audit Committee

The Board does not have a separate Audit Committee with a composition as suggested by Recommendations 4.1, 4.2 and 4.3 of the Corporate Governance Council. The full Board carries out the function of an audit committee. The Board believes that the Group is not of a sufficient size to warrant a separate committee and that the full Board is able to meet objectives of the best practice recommendations and discharge its duties in this area. The relevant experience of Board members is detailed in the Directors' section of the Directors' Report.

Financial Reporting

The Board relies on senior executives to monitor the internal controls within the Group. Financial performance is monitored on a regular basis by the Managing Director who reports to the Board at the scheduled Board meetings.

Corporate Governance Council Recommendation 5
Make Timely and Balanced Disclosure

The Board reviews the performance of the external auditors on an annual basis and meets with them during the year to review findings and assist with Board recommendations.

In the absence of a formal audit committee the Directors of the Group are available for correspondence with the auditors of the Consolidated Group.

Continuous Disclosure

The Board places a high priority on communication with Shareholders and is aware of the obligations it has, under the Corporations Act and ASX Listing Rules, to keep the market fully informed of information which is not generally available and which may have a material effect on the price or value of the Company's securities.

The Company has adopted policies which establish procedures to ensure that Directors and management are aware of and fulfill their obligations in relation to the timely disclosure of material price sensitive information.

Continuous disclosure is discussed at all regular Board meetings and on an ongoing basis the Board ensures that all activities are reviewed with a view to the necessity for disclosure to security holders.

JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE

Corporate Governance Council Recommendation 6
Respect the Rights of Shareholders

Communications

The Board fully supports security holder participation at general meetings as well as ensuring that communications with security holders are effective and clear. This has been incorporated into a formal shareholder communication strategy, in accordance with Recommendation 6.1 of the Corporate Governance Council.

In addition to electronic communication via the ASX website, the Company publishes all significant announcements together with all quarterly reports. These documents are available in both hardcopy on request and on the Company website

Shareholders are able to pose questions on the audit process and the financial statements directly to the independent auditor who attends the Company's Annual General Meeting for that purpose.

Corporate Governance Council Recommendation 7
Recognise and Manage Risk

Risk Management Policy

The Board has adopted a risk management policy that sets out a framework for a system of risk management and internal compliance and control, whereby the Board delegates day-to-day management of risk to the Managing Director, therefore complying with Recommendation 7.1 of the Corporate Governance Council. The Board is responsible for supervising management's framework of control and accountability systems to enable risk to be assessed and managed.

The Consolidated Group's risk management strategy is evolving and will be an ongoing process and it is recognised that the level and extent of the strategy will develop with the growth and change in the Consolidated Group's activities.

Risk Reporting

As the Board has responsibility for the monitoring of risk management it has not required a formal report regarding the material risks and whether those risks are managed effectively therefore not complying with Recommendation 7.2 of the Corporate Governance Council. The Board believes that the Group is currently effectively communicating its significant and material risks to the Board and its affairs are not of sufficient complexity to justify the implementation of a more formal system for identifying, assessing, monitoring and managing risk in the Company.

Managing Director and Company Secretary Written Statement

The Board requires that the Managing Director and the Company Secretary provide a written statement that the financial statements of the Group present a true and fair view, in all material aspects, of the financial position and operational results and have been prepared in accordance with Australian Accounting Standards and the Corporations Act. The Board also requires that the Managing Director and Company Secretary provide sufficient assurance that the declaration is founded on a sound system of risk management and internal control, and that the system is working effectively.

The declarations have been received by the Board, in accordance with Recommendation 7.3 of the Corporate Governance Council.

Corporate Governance Council Recommendation 8
Remunerate Fairly and Responsibly

Remuneration Committee

The Board has not created a separate Remuneration Committee and as such does not comply with Recommendation 8.1 of the Corporate Governance Council. The Board considers that the Group is not currently of a size, nor are its affairs of such complexity to justify a separate Remuneration Committee.

Executive Directors, non-executive Director receive fees agreed on an annual basis by the Board and may include performance based components designed to reward and motivate.

JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE

The full Board determines all compensation arrangements for Directors. It is also responsible for setting performance criteria, performance monitors, share option schemes, incentive performance schemes, superannuation entitlements, retirement and termination entitlements and professional indemnity and liability insurance cover.

The Board ensures that all matters of remuneration will continue to be in accordance with the Corporations Act requirements.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Your Directors present their report, together with the financial statements of the Group, being the Company and its controlled entities, for the year ended 30 June 2016.

Principal Activities and Significant Change in Nature of Activities

The principal activities of the Group during the financial year was the manufacture, sale and utilization of steel building products, the global marketing and sale of CNC roll forming production lines, associated technologies transfer and joint ventures utilizing the use of and the manufacture of steel building products.

There were no other significant changes in the nature of the Group's principal activities during the financial year.

Operating Results and Review of Operations for the Year

Operating Results

The profit of the Group for the financial year after providing for income tax amounted to:

| Year ended | Year ended |
|---------------------|---------------------|
| 30 June 2016 | 30 June 2015 |
| \$ | \$ |
| (339,871) | (122,435) |

The consolidated loss of the Group amounted to \$339,871, after providing for income tax. This was largely due to time delays obtaining council approval of the company's building development program and financing costs incurred during the year. Further discussion on the Group's operation follows.

Review of Operations

The Company continued its activities with the assistance of it Bankers and Investors in the 2015/2016 period. It was however a disappointing year for our company in as much that the sale of the 2nd stage of our project, which was to generate a substantial amount of cash and working capital was delayed by authorities and our Project Manager.

The first stage of this project has been completed and sold at the anticipated price of \$705,000. The 2nd stage however fell into the period of subdued demand as a result of delays, which has in turn delayed the sale. Offers continue to be submitted albeit for less than anticipated. Interest has however begun to return in recent times.

We have continued to assess projects in the current market, but our lack of working capital from the delayed sale has restricted our ability to consummate any new ventures for now.

The Company's current business model is based on funding the activities to the completion and sale of each project and results in the company suffering from lack of consistent cash flow on a regular basis throughout extended periods. This is acceptable to the Board, considering the above average net profit generated from actual capital employed, year on year. The Company would like to raise additional capital but would like to raise this at a realistic price and in more positive market conditions if possible.

The return on capital employed and to that of the investor is well within the Company's guidelines.

The Company has made significant cuts to expenditures to place it in a favourable position to expand current activities off a very low base, consider projects and ventures in its current activities as well as for diversification, for the benefit of shareholders.

JV Global Ltd continues to have strong support of the major shareholders for its plans going forward, and the shareholders enjoy extraordinary low operating costs, possibly the lowest of any listed companies on the ASX in accordance with Directors' fiduciary duties.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

This austerity program will continue until the Directors and management are able to be adequately rewarded in due course for their time and for the ever increasing liabilities, responsibilities imposed on them by politicians, the ASX and the ASIC, attached to being directors of a public company.

Current borrowed funds are usually rolled over within 12 months and in most cases within 6 months. This provides investors and lenders with above fair returns and a share of profits, and where possible, secured directly against the assets.

The Board continues to look for, and assess, other opportunities and or diversification of activities as they arise that could add value to the share price, providing they can be pursued within the ASX listing rules and fit the Company's reward to risk ratio requirements.

Financial Position

The net assets of the Group have decreased by \$339,871 at 30 June 2016 to \$(1,250,369).

Significant Changes in the State of Affairs

There has been no significant change in the state of affairs of the company.

Dividends Paid or Recommended

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

Events after the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future Developments, Prospects and Business Strategies

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report, as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental Issues

The Group is not aware of any matter which requires disclosure with respect to any significant environmental regulation in respect of its operating activities.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

Information on Directors

| | |
|--|--|
| Collin Vost | CHAIRMAN (Executive) |
| Qualifications | Diploma of Financial Services, Licensed Securities Dealer. |
| Experience | Mr Vost has been involved in public companies for the past 30 years and has served on the Board of several, mostly junior resource companies as well as being involved in the securities dealing business since 2001. Mr Vost was appointed to the Board on 29 May 2009. |
| Interest in shares and options | 7,175,000 ordinary shares and 610,000 redeemable preference shares. |
| Special responsibilities | Mr Vost is a member of the audit committee |
| Directorships held in other listed entities during the three years prior to the current year | Baraka Energy and Resources Ltd (appointed 18 May 2009) Cervantes Corporation Ltd (appointed 9 October 2007). |
| Justin Vost | DIRECTOR (Non-executive) |
| Qualifications | Diploma of Financial Markets. |
| Experience | Mr Vost was appointed to the Board on 19 April 2011. Mr Vost has experience in mining, manufacturing and capital markets. |
| Interest in shares | 2,929,206 ordinary shares. |
| Special responsibilities | Mr Vost is a member of the audit committee |
| Directorships held in other listed entities during the three years prior to the current year | Baraka Energy and Resources Ltd (appointed 15 March 2011) Cervantes Corporation Ltd (appointed 23 November 2011) |
| Timothy Clark | DIRECTOR (Non-executive) |
| Qualifications | Bcomm. Econ and Finance. |
| Experience | Mr Clark was appointed to the Board on 6 July 2011. Mr Clark has experience in capital markets. |
| Interest in shares | 3,000,000 ordinary shares. |
| Special responsibilities | Mr Clark is a member of the audit committee |
| Directorships held in other listed entities during the three years prior to the current year | Cervantes Corporation Ltd (appointed 3 July 2012) |

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
DIRECTORS' REPORT**

COMPANY SECRETARY

The following people held the position of joint company secretary at the end of the financial year:

John Greeve – Bachelor of Business, Chartered Accountant, CPA. John is the Principal of accounting firm Kamran Accounting. He has acted as Company Secretary, Finance Director and Managing Director for several public companies. John was appointed Company Secretary on 5th October 2015.

Tim Clark – Bachelor of Commerce, Tim is a director of JV Global and is a director and company secretary of several listed companies. Tim was appointed Company Secretary on 5th October 2015.

Meetings of Directors

During the financial year, 3 meetings of directors were held. Attendances by each director during the year were as follows:

| Directors' Meetings | | |
|----------------------------|--------------------------------------|----------------------------|
| | Number eligible to attend | Number attended |
| Collin Vost | 3 | 3 |
| Justin Vost | 3 | 3 |
| Timothy Clark | 3 | 3 |

During the financial year there were 6 Circular Resolutions.

Indemnifying Officers

In accordance with the constitution, except as may be prohibited by the Corporation Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by them in their capacity as Officer of the Company or a related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

As at the date of this report no insurance premiums have been paid, or agreed to be paid, for insurance against a current or former Officer's liability for legal costs.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Non-Audit Services

Rothsay did not provide non-audit services to the Group during 2016.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 44 of the financial report.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
REMUNERATION REPORT (AUDITED)**

Remuneration Policy

The Board as a whole is responsible for considering remuneration policies and packages applicable both to Board members and key management personnel of the Group. Broadly, the Group's remuneration policy is to ensure that any remuneration package properly reflects the person's duties and responsibilities and that it is competitive in attracting, retaining and motivating people of the highest quality.

Fixed Remuneration

Executive Directors and Non-Executive Directors are remunerated by way of a consulting fee, receiving a fixed monthly amount for their services. This remuneration package is reviewed annually by the Board.

Performance Linked Remuneration and Entitlements

The Board may from time to time approve cash bonuses, shares, and/or options designed to reward or incentivise executives, contractors and staff on such terms and conditions determined appropriate at the time of payment or issue. Often this will be linked to the achievement of Group objectives with a direct link to the creation of shareholder value.

Director Remuneration and Incentives

The Board policy is to remunerate Non-Executive Directors at market rates for time commitment and responsibilities. Independent external advice is sought where required. All securities issued to Directors and related parties must be approved by shareholders. In addition to Directors' fees, it is a policy of the Group that a Director may be paid fees or other amounts as the Board determines where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

No securities were issued to Directors or key management personnel of the Group during or since the end of the year as remuneration.

Post-Employment Benefits

The Group does not have any scheme relating to retirement benefits for Directors or key management personnel.

Nomination and Remuneration Committee

Currently, the full Board together with the Company Secretary, will consider all Nomination and Remuneration matters. The objective when the Board is convened to consider these matters is to ensure that the Group adopts and complies with remuneration policies that:

- attract, retain and motivate high caliber executives and directors so as to encourage enhanced performance by the Group;
- are consistent with the human resource needs of the Group;
- motivate directors and management to pursue long-term growth and success of the Group with an appropriate framework; and
- demonstrate a clear relationship between key executive performance and remuneration.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
REMUNERATION REPORT (AUDITED)**

Employment Details of Members of Key Personnel and Other Executives

The following table provides detail of persons who were, during the financial year, members of key management personnel of the Group, and to the extent different, among the three Group executives or company executives receiving the highest remuneration.

| Group Key Management Personnel | Position held as at 30 June 2016 and any change during the year | Proportion of elements of remuneration related to performance | | | Proportions of elements of remuneration not related to performance | |
|--------------------------------|---|---|----------------|------------------|--|---------|
| | | Non-salary cash-based incentives % | Shares/Units % | Options/Rights % | Fixed Salary/Fees % | Total % |
| Collin Vost | Chairman (Executive) | - | - | - | 100 | 100 |
| Justin Vost | Director (Non-executive) | - | - | - | 100 | 100 |
| Timothy Clark | Director (Non-executive) | - | - | - | 100 | 100 |

The service terms and conditions of the key management personnel and Group executives are not formalised in contracts of employments. The service terms and conditions are of no fixed term, no requirement for notice on termination and no entitlement for payment upon termination.

Remuneration Details for the Year Ended 30 June 2016

The following table of benefits and payments detail, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group, and to the extent different, the three Group executives receiving the highest remuneration.

| | | Short Term Benefit | | Post Employment | Equity-settled share-based payments | | |
|-----------------------------------|------|--------------------|--------|-----------------|-------------------------------------|----------------|---------|
| | | Salaries & Fees | Other | Super-annuation | Shares | Options/Rights | Total |
| | | \$ | \$ | \$ | \$ | \$ | \$ |
| C Vost appointed 29 May 2009 | 2016 | 24,000 | 78,400 | - | - | - | 102,400 |
| Chairman | 2015 | 24,000 | 74,350 | - | - | - | 98,350 |
| J Vost appointed 19 April 2011 | 2016 | 24,000 | - | - | - | - | 24,000 |
| Non-Executive Director | 2015 | 24,000 | - | - | 4,000 | - | 28,000 |
| T Clark appointed 6 July 2011 | 2016 | 25,200 | - | - | - | - | 25,200 |
| Non-Executive Director | 2015 | 24,400 | - | - | 4,000 | - | 28,400 |
| J Greeve appointed 5 October 2015 | 2016 | 8651 | - | - | - | - | 8651 |
| Company Secretary | 2015 | - | - | - | - | - | - |
| Total | 2016 | 73,200 | 78,400 | - | - | - | 160251 |
| Total | 2015 | 72,400 | 74,350 | - | 8,000 | - | 154,750 |

There were no long-term, Cash settled share-based payments or termination benefits paid to Key Management Personnel or Other Executives.

Included in other short-term benefits are payments made to New York Securities Pty Ltd which provides a serviced office including bookkeeping services and is the landlord of JV Global Ltd. Mr Collin Vost is a director and shareholder of the securities dealing company. During the financial year \$78,000 (2015: \$73,000) was paid or payable.

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
REMUNERATION REPORT (AUDITED)**

Also included in other short-term benefits are payments made to New York Securities Pty Ltd which is appointed as the Company's securities dealer and advisors on normal commercial terms and conditions. Mr Collin Vost is a director of the securities dealing company. During the financial year \$400 (2015: \$1,350) was paid for share trading and investment services.

Share-based Payments

There were no shares granted as remuneration to key management personnel and other executives.

End of Audited Remuneration Report

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.



Collin Vost
Director

Dated 31 August 2016

JV GLOBAL LTD (ABN 80 009 142 125)
SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 9 August 2016.

(a) Distribution of Equity Securities

The number of holders, by size of holding, in each class of security are:

| | Ordinary Shares | | Preference Shares - unlisted | |
|-------------------|-------------------|--------------------|---------------------------------|------------------|
| | No. of holders | No. of shares | No. of holders | No. of shares |
| 1 – 1,000 | 85 | 17,137 | | |
| 1001 – 5,000 | 51 | 159,780 | | |
| 5001 – 10,000 | 87 | 809,759 | | |
| 10,001 – 100,000 | 167 | 7,048,198 | | |
| 100,001 and above | 193 | 271,799,419 | 2 | 1,520,000 |
| Total | 583 | 279,834,293 | 2 | 1,520,000 |

The number of shareholders holding less than a marketable parcel of shares is 514 (52,932,037 ordinary shares).

(b) Twenty Largest Holders

The names of the twenty largest holders, in each class of security are:

Ordinary Shares:

| | | |
|--|------------|-------|
| 1. Hwang Sin Jen | 17,775,000 | 6.35% |
| 2. Kailis Consolidated Pty Ltd | 13,949,964 | 4.99% |
| 3. Dudley C | 13,779,132 | 4.92% |
| 4. Hay Trevor Neil | 13,066,554 | 4.67% |
| 5. Magadh Stoc Pty Ltd | 12,785,701 | 4.57% |
| 6. Baraka Energy & Resources Ltd | 11,683,963 | 4.18% |
| 7. Navigator Aust Ltd <MLC Investors Settlement A/c> | 9,599,869 | 3.43% |
| 8. Vost Dalma & Sayers K <Dalma Vost Super Fund A/c> | 8,305,000 | 2.97% |
| 9. New York Holdings Pty Ltd <CV Super Fund A/c> | 7,175,000 | 2.56% |
| 10. Brazier M & L <M & L Brazier Super Fund A/c> | 5,852,139 | 2.09% |
| 11. Le Charme Pty Ltd | 5,508,507 | 1.97% |
| 12. Broken Ridge Pty Ltd | 5,500,000 | 1.97% |
| 13. Cervantes Corporation Ltd | 5,450,000 | 1.95% |
| 14. Gibca Ltd | 5,000,000 | 1.79% |
| 15. Allcrest Nominees Pty Ltd <Riemer A/c> | 4,250,000 | 1.52% |
| 16. Black I | 4,089,111 | 1.46% |
| 17. Robmob Pty Ltd <Robinson Super Fund A/c> | 4,000,000 | 1.43% |
| 18. Truwest Pty Ltd <Trudgian Super Fund A/c> | 3,000,000 | 1.07% |
| 19. Li Hwa Pty Ltd <Li Hwa A/c> | 3,000,000 | 1.43% |
| 20. Hoperidge Enterprises Pty Ltd <Jones Family A/c> | 3,000,000 | 1.07% |

Preference Shares – Unlisted

| | | |
|--|---------|--------|
| 1. Wong S C | 910,000 | 59.87% |
| 2. New York Holdings Pty Ltd <CV Super Fund A/c> | 610,000 | 40.13% |

JV GLOBAL LTD (ABN 80 009 142 125)
SHAREHOLDER INFORMATION

(c) **Substantial Shareholder**

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporation Act 2001 are Hwang Sin Jen and Kailis Consolidated Pty Ltd.

(d) **Voting Rights**

All ordinary shares carry one vote per share without restriction.

(e) **Restricted Securities**

The Company has no restricted securities (held in escrow) on issue.

(f) **Business Objective**

The Company has used its cash and assets that are readily convertible to cash in a way consistent with its business objectives.

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR
ENDED 30 JUNE 2016**

| | Note | Consolidated Group | |
|---|------|--------------------|------------------|
| | | 2016 | 2015 |
| | | \$ | \$ |
| Revenue | | 680,119 | 2,329 |
| Fair value adjustment - property | | - | 157,223 |
| Interest income | 2 | 641 | 43 |
| Other sundry | | - | 1,357 |
| Fair value adjustment – Investments | | 2,794 | - |
| | | <u>683,554</u> | <u>160,952</u> |
| Construction costs | | (762,181) | - |
| Employee benefits expense | 3a | (73,200) | (80,400) |
| Finance costs | 3c | (53,953) | (48,002) |
| Administration expenses | 3b | (134,091) | (139,181) |
| Fair value adjustment - investments | | - | (15,804) |
| | | <u></u> | <u></u> |
| Loss from ordinary activities before related | | | |
| Income Tax benefit | | (339,871) | (122,435) |
| Income tax benefit relating to ordinary activities | | - | - |
| | | <u></u> | <u></u> |
| Loss from ordinary activities after related | | | |
| Income Tax benefit | | (339,871) | (122,435) |
| | | <u></u> | <u></u> |
| Other comprehensive income | | - | - |
| | | <u></u> | <u></u> |
| Total comprehensive income | | (339,871) | (122,435) |
| | | <u><u></u></u> | <u><u></u></u> |
| Basic loss per share (cents per share) | 7 | (0.07)c | (0.04)c |
| Diluted loss per share (cents per share) | 7 | (0.07)c | (0.04)c |

The accompanying notes form part of these financial statements

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**

| | Note | Consolidated Group | |
|----------------------------------|------|--------------------|------------------|
| | | 2016 | 2015 |
| | | \$ | \$ |
| Current Assets | | | |
| Cash and cash equivalents | 8 | 36,126 | 24,438 |
| Trade and other receivables | 9 | 4,997 | 11,154 |
| Construction project | 10 | 480,000 | 1,115,682 |
| Financial assets | 11 | 25,525 | 20,291 |
| Total Current Assets | | 546,648 | 1,171,565 |
| Total Assets | | 546,648 | 1,171,565 |
| Current Liabilities | | | |
| Trade and other payables | 13 | 29,447 | 35,426 |
| Financial liabilities | 14 | 1,767,570 | 2,046,637 |
| Total Current Liabilities | | 1,797,017 | 2,082,063 |
| Total Liabilities | | 1,797,017 | 2,082,063 |
| Net Assets | | (1,250,369) | (910,498) |
| Equity | | | |
| Issued capital | 15 | 22,726,332 | 22,726,332 |
| Reserves | | | |
| Accumulated losses | | (23,976,701) | (23,636,830) |
| Total Equity | | (1,250,369) | (910,498) |

The accompanying notes form part of these financial statements

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES**

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

| Consolidated Group | Share Capital | | Accumulated | | Total |
|---|-------------------|------------------|---------------------|----------------|--------------------|
| | Ordinary \$ | Preference \$ | Losses \$ | Reserves \$ | |
| Balance at 1 July 2014 | 21,198,332 | 1,520,000 | (23,514,395) | - | (796,063) |
| Shares issued during year | 8,000 | - | - | - | 8,000 |
| Transaction costs | - | - | - | - | - |
| Options expired | - | - | - | - | - |
| Net loss attributable to members of the parent entity | - | - | (122,435) | - | (122,435) |
| Balance at 30 June 2015 | <u>21,206,332</u> | <u>1,520,000</u> | <u>(23,636,830)</u> | <u>-</u> | <u>(910,498)</u> |
| Shares issued during year | - | - | - | - | - |
| Transaction costs | - | - | - | - | - |
| Options expired | - | - | - | - | - |
| Net profit attributable to members of the parent entity | - | - | (339,871) | - | (339,871) |
| Balance at 30 June 2016 | <u>21,206,332</u> | <u>1,520,000</u> | <u>(23,976,701)</u> | <u>-</u> | <u>(1,250,369)</u> |

The accompanying notes form part of these financial statements

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 June 2016**

| | Note | Consolidated Group 2016 \$ | 2015 \$ |
|---|------|----------------------------------|-------------|
| Cash Flows from Operating Activities | | | |
| Receipts from customers | | 705,000 | 2,329 |
| Sundry receipts | | - | 1,357 |
| Payments to suppliers and employees | | (398,178) | (1,203,208) |
| Finance costs | | (17,061) | (48,002) |
| Net cash used in operating activities | 19 | 289,761 | (1,247,524) |
| Cash Flows from Investing Activities | | | |
| Interest received | | 641 | 43 |
| Purchases of trading investments | | (2,440) | (20,095) |
| Net cash used in investing activities | | (1,799) | (20,052) |
| Cash Flows from Financing Activities | | | |
| | | - | - |
| | | - | - |
| Proceeds from borrowings | | 385,350 | 1,384,400 |
| Repayment of borrowings | | (685,000) | (99,763) |
| Net cash provided to financing activities | | (299,650) | 1,284,637 |
| Net inflow in cash held for the year | | 11,688 | 17,061 |
| Cash at the beginning of the year | | 24,438 | 7,377 |
| Cash at the end of the year | 8 | 36,126 | 24,438 |

The accompanying notes form part of these financial statements

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements of JV Global Ltd also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Going Concern

The group has reported an operating loss for the financial year of \$339,871 (2015: \$122,435). The directors have successfully secured additional medium term funding from parties provided on an ongoing basis. The Company enjoys a strong working relationship with its bankers and continues to have full support of major shareholders. The Company has sold down inventories and has repaid substantial debt during the financial year and is actively looking for projects for the current financial year.

The directors have concluded that the combination of these circumstances represent a material uncertainty that casts doubt upon the Consolidated Entity's ability to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors continued to seek opportunities for the Group and the Board the directors have a reasonable expectation that the group and the company have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

a Principles of Consolidation

A controlled entity is any entity over which JV Global Ltd has the power to govern the financial and operating policies so as to obtain benefit from its activities. In assessing the power to govern, the existence and effect of holding actual and potential voting rights are considered.

Details of controlled entities are contained in Note 12 to the financial statements. The controlled entities have a 30 June financial year-end.

As at reporting date, the assets and liabilities of the controlled entities have been incorporated into the consolidated financial statements as well as its results for the year ended. Where a controlled entity has entered or left the Group during the year, its operating results have been included from the date control was obtained or until the date control ceased.

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

b Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill (refer note 1(ii)) or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

c Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on the taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movement in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profits will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

d Property, Plant and Equipment

Each class of property, plant and equipment is carried at the cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

e Financial Instruments

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

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at fair value. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

A financial asset is classified at 'fair value through the profit and loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedge purposes or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with the investment strategy. Such assets are subsequently measured at fair value with changes in the carrying value being included in the profit and loss.

(ii) Loans and receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

Fair value

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

Impairment

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipts of the cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f Impairment of Assets

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

Impairment testing is performed annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

h Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is possible that an outflow of economic benefits will result and that outflow can be reliably measured.

i Cash and Cash Equivalents

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

j Revenue and Other Income

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from rendering of a service is recognised upon the delivery of the service to the customers.

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

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

k Goods and Services Tax (GST)

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

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

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

I New Accounting Standards for Application in Future Periods

i. Amendments to Standards that are mandatorily effective for the current year

In the current year, the Company has applied one applicable amendment to Standards issued by the AASB that are mandatorily effective for an accounting period that begins on or after 1 July 2015, and therefore relevant for the current year end.

AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'

This amendment completes the withdrawal of references to AASB 1031 in all Standards, allowing that Standard to effectively be withdrawn.

The application of the amendment does not have any material impact on the disclosures or on the amounts recognised in the Company's financial statements.

ii. Standards in issue not yet adopted

At the date of authorisation of the Financial Statements, the Standards applicable to the Company's business listed below were in issue but not yet effective. The potential effect of the revised Standards on the Company's financial statements has not yet been determined.

AASB 9 'Financial Instruments' and the relevant amending standards, effective for annual reporting periods beginning on or after 1 January 2018, expected to be initially applied in the financial year ending 30 June 2019;

AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations', effective for annual reporting periods beginning on or after 1 January 2016, expected to be initially applied in the financial year ending 30 June 2017;

AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation', effective for annual reporting periods beginning on or after 1 January 2016, expected to be initially applied in the financial year ending 30 June 2017;

AASB 2014-9 'Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements', effective for annual reporting periods beginning on or after 1 January 2016, expected to be initially applied in the financial year ending 30 June 2017;

AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture', effective for annual reporting periods beginning on or after 1 January 2016, expected to be initially applied in the financial year ending 30 June 2017;

AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle', effective for annual reporting periods beginning on or after 1 January 2016, expected to be initially applied in the financial year ending 30 June 2017;

AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101', effective for annual reporting periods beginning on or after 1 January 2016, expected to be initially applied in the financial year ending 30 June 2017;

AASB 2016-1 'Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses', effective for annual reporting periods beginning on or after 1 January 2017, expected to be initially applied in the financial year ending 30 June 2018; and

AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB107', effective for annual reporting periods beginning on or after 1 January 2017, expected to be initially applied in the financial year ending 30 June 2018.

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Consolidated Group

| 2016 | 2015 |
|-------------|-------------|
| \$ | \$ |

NOTE 2: Revenue and Other Income

Interest revenue

| | | |
|-----------------|------------|-----------|
| - other persons | 641 | 2,558 |
| | 641 | 43 |
| | 641 | 43 |

NOTE 3: Loss for the Year

(a). Employee benefits expenses

| | | |
|----------------|--------|--------|
| Directors fees | 73,200 | 80,400 |
|----------------|--------|--------|

(b). Administration

| | | |
|---------------------------|--------|--------|
| Accounting services | 8,651 | - |
| Audit services | 11,850 | 12,600 |
| Advertising and promotion | - | 398 |
| Fees and charges | 21,453 | 1,315 |
| Legal | 4,907 | 14,194 |
| Serviced office | 51,000 | 48,000 |
| Travel expenses | - | 47 |
| Other | 36,230 | 62,627 |

(c). Finance costs

| | | |
|--|--------|--------|
| Interest expenses on financial liabilities | 53,953 | 48,002 |
|--|--------|--------|

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

| | Consolidated Group | |
|--|---------------------------|-------------------------|
| | 2016 | 2015 |
| | \$ | \$ |
| NOTE 4: Income Tax | | |
| Prima facie tax benefit on loss before income tax @ 28.5%. (2015 30 %) | (96,863) | (36,731) |
| Add tax effect: | | |
| <i>Non-allowable items</i> | | |
| Fair value adjustments - investments | 796 | 4,741 |
| Fair value adjustments - property | - | (47,167) |
| Fines & penalties | - | 255 |
| <i>Allowable items</i> | | |
| Capital raising costs | - | - |
| Tax losses not brought to account | (96,067) | (78,902) |
| Income tax attributable to entity | <u>-</u> | <u>-</u> |
| Net deferred tax asset not brought to account | <u>3,200,952</u> | <u>3,104,885</u> |

The Unrealised deferred tax assets will only be available if:

- a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- b) the conditions for deductibility imposed by the tax legislation continue to be complied with; and
- c) no changes in tax legislation adversely affect the Company in realising the benefit.

NOTE 5: Interests of Key Management Personnel (KMP)

Refer to the remuneration report contained in the Report of the Directors for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2016.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

| | | |
|--------------------------------|----------------------|-----------------------|
| Short-term employment benefits | 73,200 | 175,666 |
| Post-employment benefits | - | - |
| Other long-term benefits | - | - |
| Termination benefits | - | - |
| | <u>73,200</u> | <u>175,666</u> |

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

NOTE 5: Interests of Key Management Personnel (KMP) (cont'd)

KMP Options Holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

30 June 2016

| Balance at beginning of year | Granted as remuneration during the year | Expired during the year | Other changes during the year | Balance at end of year |
|------------------------------------|---|----------------------------|----------------------------------|------------------------------|
| - | - | - | - | - |
| - | - | - | - | - |

30 June 2015

| Balance at beginning of year | Granted as remuneration during the year | Expired during the year | Other changes during the year | Balance at end of year |
|------------------------------------|---|----------------------------|----------------------------------|------------------------------|
| - | - | - | - | - |
| - | - | - | - | - |

KMP Shareholdings

The number of ordinary shares in JV Global Ltd held by each KMP of the Group during the financial year is as follows:

30 June 2015

| | Balance at beginning of year | Granted as remuneration during the year | Issued on exercised of options during the year | Other changes during the year | Balance on resignation / appointment | Balance at end of year |
|---------|------------------------------------|---|---|----------------------------------|--|------------------------------|
| C Vost | 7,175,000 | - | - | - | - | 7,175,000 |
| J Vost | 929,206 | - | - | 2,000,000 | - | 2,929,206 |
| T Clark | 2,003,142 | - | - | 2,000,000 | - | 4,003,142 |
| | 10,107,348 | - | - | 4,000,000 | - | 14,107,348 |

30 June 2016

| | Balance at beginning of year | Granted as remuneration during the year | Issued on exercised of options during the year | Other changes during the year | Balance on resignation / appointment | Balance at end of year |
|---------|------------------------------------|---|---|----------------------------------|--|------------------------------|
| C Vost | 7,175,000 | - | - | - | - | 7,175,000 |
| J Vost | 2,929,206 | - | - | - | - | 2,929,206 |
| T Clark | 4,003,142 | - | - | (1,003,142) | - | 3,000,000 |
| | 14,107,348 | - | - | (1,003,142) | - | 13,104,206 |

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

NOTE 5: Interests of Key Management Personnel (KMP) (cont'd)
KMP Redeemable Preference Shareholding

The number of redeemable preference shares in JV Global Ltd held by each KMP of the Group during the financial year is as follows:

30 June 2016

| | Balance at beginning of year | Granted as remuneration during the year | Issued on exercised of options during the year | Other changes during the year | Balance on resignation / appointment | Balance at end of year |
|--------|------------------------------------|---|---|----------------------------------|--|------------------------------|
| C Vost | 610,000 | - | - | - | - | 610,000 |
| | <u>610,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>610,000</u> |

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP refer to Note 20: Related Party Transactions.

Consolidated Group

| 2016 | 2015 |
|-------------|-------------|
| \$ | \$ |

NOTE 6: Auditors' Remuneration

Amount paid to the auditor of the parent entity for:

| | | |
|--|---------------|---------------|
| - auditing or reviewing the financial report | <u>11,850</u> | <u>12,600</u> |
|--|---------------|---------------|

NOTE 7: Earnings per Share

(a) Reconciliation of earnings to profit or loss

Profit(Loss)

Earnings used to calculate basic EPS (339,871) (122,435)

Earnings used in the calculation of dilutive EPS (339,871) (122,435)

| 2016 | 2015 |
|-------------|-------------|
| No. | No. |

| | | |
|--|-------------|-------------|
| (b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS | 279,834,293 | 279,834,293 |
|--|-------------|-------------|

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Consolidated Group

| | 2016 | 2015 |
|--|------|------|
| | \$ | \$ |

NOTE 8: Cash and cash Equivalents

| | | |
|--------------------------|---------------|---------------|
| Cash at bank & in hand | 16,126 | 4,438 |
| Interest bearing deposit | 20,000 | 20,000 |
| | 36,126 | 24,438 |
| | 36,126 | 24,438 |

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the statement of financial position as follows:

| | | |
|-------------------------|---------------|---------------|
| Cash & cash equivalents | 36,126 | 24,438 |
| | 36,126 | 24,438 |
| | 36,126 | 24,438 |

NOTE 9: Trade and Other Receivables

Current

| | | |
|-------------------|--------------|---------------|
| Input tax credits | 4,997 | 11,154 |
| | 4,997 | 11,154 |
| | 4,997 | 11,154 |

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES**
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Consolidated Group

| | 2016 | 2015 |
|--|-------------|-------------|
| | \$ | \$ |

NOTE 10: Construction

Current

| | | |
|-------------------------------|----------------|------------------|
| Construction work in progress | 480,000 | 1,272,905 |
| Fair value Adjustment | - | (157,223) |
| | 480,000 | 1,115,682 |

NOTE 11: Financial Assets

Current

Financial assets at fair value through
profit and loss

| | | |
|--|---------------|---------------|
| | 25,525 | 20,291 |
| | 25,525 | 20,291 |

**Financial assets at fair value through profit
and loss**

| | | |
|--------------------------------|---------------|---------------|
| Held for trading listed shares | 137,758 | 135,318 |
| Provision for fair value | (112,233) | (115,027) |
| | 25,525 | 20,291 |

Shares held for trading are traded for the purpose of short term profit taking. Changes in fair value are included in the statement of comprehensive income.

NOTE 12: Controlled Entities

| | Country of Incorporation | Percentage Owned (%) | |
|------------------------------|-------------------------------------|-----------------------------|-------------|
| | | 2016 | 2015 |
| Subsidiary of JV Global Ltd: | | | |
| JV Global Australia Pty Ltd | Aust | 100 | 100 |
| JVG Contracting Pty Ltd | Aust | 100 | 100 |

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Consolidated Group

2016 2015
\$ \$

NOTE 13: Trade and other payable

Unsecured liabilities

| | | |
|-------------------|----------------------|----------------------|
| - Trade creditors | 29,447 | 35,426 |
| - GST Payable | - | - |
| | <u>29,447</u> | <u>35,426</u> |

NOTE 14: Financial liabilities

Amounts payable to:

| | | |
|--------------------|-------------------------|-------------------------|
| Bank loan secured | 36,330 | 720,000 |
| Borrowings secured | 1,731,240 | 1,326,637 |
| | <u>1,767,570</u> | <u>2,046,637</u> |

Bank loan secured:

In December 2014, JV Global Ltd entered in a loan arrangement with its bankers. The bank advanced \$720,000 secured by registered mortgage over Company property in Victoria Park WA. The terms of the loan are repayments of monthly interest only for the first 12 months at 5.88%, then principal and interest payments of \$3,984 per month. During the year the Company repaid the bank \$685,000.

Registered security:

On 23 July 2011, the Company arranged a loan facility from an ASX listed company of which the company's directors Mr Collin Vost and Mr Justin Vost are also directors. On 22 December 2014 this loan was registered with the Australian Financial Security Authority by a general security deed, under the existing term and conditions. Interest is at the rate of 5.5%pa or the equivalent of the National Australia Bank 90 day term deposit rate whichever is the lesser, with a cap of 7% for the exposure period and loan period, plus a profit on each venture as mutually agreed between the parties. These funds have been used to fund acquisition of assets intended for steel framed construction activities in conjunction with other investors and in their own right and additional working capital.

NOTE 15: Issued Capital

279,834,293 (2015: 279,834,293)

| | | |
|------------------------------|--------------------------|--------------------------|
| Fully paid ordinary shares | 21,206,332 | 21,206,332 |
| 1,520,000 (2015: 1,520,000) | 1,520,000 | 1,520,000 |
| Fully paid preference shares | <u>22,726,332</u> | <u>22,726,332</u> |

2016 2015
No. No.

Ordinary shares

| | | |
|--------------------------------------|---------------------------|---------------------------|
| At the beginning of reporting period | 279,834,293 | 275,834,293 |
| Shares issued during the year: | - | 4,000,000 |
| | <u>279,834,293</u> | <u>279,834,293</u> |

At the end of reporting period

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES**
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

NOTE 15: Issued Capital (cont'd)

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

| | 2016 | 2015 |
|--------------------------------------|-------------------------|-------------------------|
| | No. | No. |
| Preference shares | | |
| At the beginning of reporting period | 1,520,000 | 1,520,000 |
| Shares issued during the year: | - | - |
| | <u>1,520,000</u> | <u>1,520,000</u> |
| At the end of reporting period | | |

Options

There are at the date of this report no share options.

| | 2016 | 2015 |
|--|-----------------|-----------------|
| | No. | No. |
| Options | | |
| Opening number of options issued | - | - |
| Number of options issued during the year | - | - |
| Number of option exercised during the year | - | - |
| Number of options lapsed during the year | - | - |
| Closing Number of Options Issued | <u>-</u> | <u>-</u> |

Consolidated Group

| 2016 | 2015 |
|-------------|-------------|
| \$ | \$ |

NOTE 16: Capital and Leasing Commitments

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable: minimum lease payments

| | | |
|---------------------------------|--------|--------|
| - not later than 12 months | 78,000 | 73,000 |
| - between 12 months and 5 years | - | - |
| - greater than 5 years | - | - |

| | | |
|------------------------|----------------------|----------------------|
| Minimum lease payments | <u>78,000</u> | <u>73,000</u> |
|------------------------|----------------------|----------------------|

A serviced office including bookkeeping service and business premises are provided by New York Securities Pty Ltd and company associated with Mr Collin Vost, at a fee of \$6,500 per calendar month (2015:\$6,500).

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES**
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

NOTE 17: Contingent Liabilities

There are no contingent liabilities as at balance date or as at the date of the report.

NOTE 18: Segment Reporting
Segment Information

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Consolidated Entity is managed primarily on the basis of product category and service offerings since the diversifications of the Consolidated Entity's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Consolidated Entity. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Information on business segments

For management purposes the Consolidated Entity is divided into two major operating divisions - light gauge steel building manufacture and investments. These divisions are the basis on which the Consolidated Entity reports its primary segment information. The principle activities of these segments are:

| | |
|---|--|
| Manufacture of steel framing housing (MSFH) | The manufacture of steel framed housing within Australia. |
| Corporate | The holding of equity investments in business engaged in manufacturing and sales of steel building products, together with machinery leased to those businesses, and other commercially rewarding investments for the benefit of shareholders. |

Other operations include the global marketing and sales of CNC roll forming production lines, associated technology transfer and joint ventures for the manufacture of steel building products. These operations did not contribute to the Consolidated Entity's results for the reporting period or the preceding year and were not reported separately in the Consolidated Entity's management structure.

| | <i>MSFH</i> | | <i>Corporate</i> | | <i>Total</i> | |
|------------------------------|----------------|----------------|------------------|--------------|----------------|----------------|
| | <i>2016</i> | <i>2015</i> | <i>2016</i> | <i>2015</i> | <i>2016</i> | <i>2015</i> |
| Revenue | \$ | \$ | \$ | \$ | \$ | \$ |
| External Revenues | 680,119 | 159,522 | - | - | 680,119 | 159,522 |
| Other Revenue | - | - | 3,435 | 1,400 | 3,435 | 1,400 |
| Total Segment revenue | 680,119 | 159,522 | 3,435 | 1,400 | 683,554 | 160,952 |

Reconciliation of segment revenue to consolidated revenue

| | | |
|-----------------------------------|----------------|----------------|
| Inter-segment elimination | - | - |
| Total consolidated revenue | 683,554 | 160,952 |

Result

| | | | | | | |
|--------------------------------|-----------|---------|------|-----------|-----------|-----------|
| Segment profit/loss before tax | (339,857) | 159,522 | (14) | (279,740) | (339,871) | (122,435) |
|--------------------------------|-----------|---------|------|-----------|-----------|-----------|

Reconciliation of segment results to consolidated net loss before tax

Amounts not included in segment result but reviewed by the Board:

| | | |
|------------------------------|-----------|-----------|
| Net profit/(loss) before tax | (339,871) | (122,435) |
|------------------------------|-----------|-----------|

NOTE 18: Segment Reporting (cont'd)

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES**
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

| | <i>MSFH</i> | | <i>Corporate</i> | | <i>Total</i> | |
|---------------------|-------------|-----------|------------------|--------|--------------|-----------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Segment Assets | 480,000 | 1,115,682 | 66,648 | 55,883 | 546,648 | 1,171,565 |
| Segment Liabilities | 1,767,570 | 2,046,637 | 29,477 | 35,426 | 1,797,017 | 2,082,063 |

Consolidated Group

| 2016 | 2015 |
|------|------|
| \$ | \$ |

NOTE 19: Cash Flow Information

**Reconciliation of Cash Flow from
Operations with Loss after Income Tax**

| | | |
|------------------------------|-----------|-----------|
| Accounting loss for the year | (339,871) | (122,435) |
| Interest received | (641) | (43) |

Non-cash flows in loss after income tax

| | | |
|------------------------------------|---------|-----------|
| Share based payment | - | 8,000 |
| Fair value adjustment - investment | (2,793) | 15,804 |
| Fair value adjustment - property | - | (157,223) |

*Changes in Assets and Liabilities, net of
the effect of purchase of subsidiary*

| | | |
|------------------------------------|---------|-----------|
| Change in trade & term receivables | 4,997 | (11,154) |
| Change in inventories | 633,244 | (956,049) |
| Change in trade & other payables | (5,175) | (24,425) |

| | | |
|----------------------------------|----------------|--------------------|
| <i>Cash flow from operations</i> | 289,761 | (1,247,525) |
|----------------------------------|----------------|--------------------|

NOTE 20: Related Party Transactions

All transactions with directors or director-related entities and between companies within the consolidated entity occur within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect the entity would have adopted if dealing with the Directors or director-related entities at arm's length, unless otherwise stated.

NOTE 20: Related Party Transactions (cont'd)

Wholly Owned Group Transactions

JV Global Limited has made loans to wholly owned subsidiaries. These loans are interest free and at the date of this report no repayment schedule has been agreed. The balance outstanding at 30 June 2016 was \$nil (2015: \$nil) after provision for impairment. The funds advanced were used to finance equipment purchases and operating expenses. Repayments of advances for the

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

financial year ended 30 June 2016 was nil (2015: \$nil). Loans to wholly owned subsidiaries are eliminated on consolidation.

Other Related Party Transactions

Transaction with directors, other than as employees:

During the previous financial year entities associated with Mr C Vost provided capital raising services to the Group. The value of these services for the financial year ended 30 June 2016 was \$nil (2015: \$nil). In addition one of these companies advanced \$nil (2015: \$nil) to the Group on commercial terms and conditions. The loans are for a period of less than twelve months and are unsecured with repayment during the year totalling \$nil (2015: \$nil).

An entity associated with Mr C Vost provided office facilities, bookkeeping services and staff to the Group to conduct operation. This arrangement commenced in November 2010. For the financial year ended 30 June 2016 an amount totalling \$78,000 was paid (2015: \$73,000).

Also included in other short-term benefits are payments made to New York Securities Pty Ltd which is appointed as the Company's securities dealer and advisors on normal commercial terms and conditions. Mr Collin Vost is a director of the securities dealing company. During the financial year \$400 (2015: \$1,305) was paid for share trading and investment services.

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

NOTE 21: Financial Risk Management

The Group's financial instruments consists bank loans, other Loans, cash and short-term investments.

The totals for each category of financial instrument, measured in accordance with AASB: 139 as detailed in the accounting policies to these financial statements, are as follows:

| | Note | Consolidated Group | |
|-------------------------------------|------|--------------------|------------------|
| | | 2016 | 2015 |
| | | \$ | \$ |
| Financial Assets | | | |
| Cash and cash equivalents | 8 | 36,126 | 24,438 |
| Trade and other receivables | 9 | 4,997 | 11,154 |
| Available-for-sale financial assets | 11 | 25,525 | 20,291 |
| | | <u>66,648</u> | <u>55,883</u> |
| Financial Liabilities | | | |
| Trade and other payables | 13 | 29,447 | 35,426 |
| Financial liabilities | 14 | 1,767,570 | 2,046,637 |
| | | <u>1,797,017</u> | <u>2,082,063</u> |

**NOTE 21: Financial Risk Management
(cont'd)**

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

Financial Risk Management Policies

The Group's financial risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors, in its function as Audit Committee, oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors is responsible for the developing and monitoring the Group's risk management policies.

Interest rate risk

The Group has cash subject to interest and therefore the interest rate risk impact is minimal. Management continually monitors the exposure to interest rate risk. The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk.

| | < 1 Year | Total | Weighted average effective interest rate |
|----------------------------------|--------------------|--------------|---|
| | \$ | \$ | |
| Year ended 30 June 2016 | | | |
| <i>Floating rate</i> Cash assets | 36,126 | 36,126 | 1.78% |
| Year ended 30 June 2015 | | | |
| <i>Floating rate</i> Cash assets | 24,438 | 24,438 | 1.17% |

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy for managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

The Group's overall objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other facilities.

The Group also manages liquidity risk by maintaining adequate reserves and banking and other facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

NOTE 21: Financial Risk Management (cont'd)

The table below summarises the maturity profiles of the Group's financial liabilities based on contractual undiscounted payments.

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

| | Less than 3 months \$ | 3 to 12 months \$ | More than 12 months \$ | Total \$ |
|---------------------------|-----------------------------|-------------------------|------------------------------|---------------|
| Year ended 30 June 2016 | | | | |
| Trade and other creditors | 29,447 | - | - | 29,447 |
| Loans | - | 36,126 | - | 36,126 |
| | <u>29,447</u> | <u>36,126</u> | <u>-</u> | <u>65,573</u> |

Year ended 30 June 2015

| | | | | |
|---------------------------|---------------|----------------|----------|----------------|
| Trade and other creditors | 35,426 | - | - | 35,426 |
| Loans | - | 720,000 | - | 720,000 |
| | <u>35,426</u> | <u>720,000</u> | <u>-</u> | <u>755,426</u> |

The Group also has an office service agreement. The future contracted commitments at year end are disclosed in Note 16.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. In most cases, the Group requires full and final payment either prior to, or upon delivery of the goods to the customer. In limited cases where credit is provided, the Group trades on credit terms with recognised, creditworthy third parties. Customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivables balances are monitored on an ongoing basis with the results that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group.

All amounts past due in excess of 30 days are individually assessed and provided for as doubtful if reasonable doubt as to collectability exists.

With respect to credit risk arising from financial assets of the Group, which comprise of cash and cash equivalents and receivables, the Group's maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, as disclosed in the balance sheet and notes to the financial statements.

NOTE 21: Financial Risk Management (cont'd)

Included in receivables is the amount for GST refundable, this amount is not past due nor impaired.

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES**
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

Net Fair Value

Fair Value Estimation

The fair values of the financial assets and financial liabilities are presented in the following can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information from markets that are actively traded. In this regard, fair value for listed securities are obtained from quoted market bid price.

| | 2016 | | 2015 | |
|--|--------------------------------|-------------------------|--------------------------------|-------------------------|
| | Net Carrying Value \$ | Net Fair Value \$ | Net Carrying Value \$ | Net Fair Value \$ |
| Consolidated Group | | | | |
| Financial Assets | | | | |
| Cash and cash equivalents | 36,126 | 36,126 | 24,438 | 24,438 |
| Financial assets at fair value through profit or loss | | | | |
| -Held for trading | 25,525 | 25,525 | 20,291 | 20,291 |
| | <u>61,651</u> | <u>61,651</u> | <u>44,729</u> | <u>44,729</u> |
| Financial Liabilities | | | | |
| Trade and other creditors | 29,447 | 29,447 | 35,426 | 35,426 |
| Loans | 36,330 | 36,330 | 720,000 | 720,000 |
| | <u>65,777</u> | <u>65,777</u> | <u>755,426</u> | <u>755,426</u> |

The fair values disclosed in the above table have been determined based on the following methodologies.

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payable exclude amounts provided for relating to annual leave which is not considered a financial instrument.

(ii) For listed held-for-trading financial assets, closing quoted bid prices at reporting date have been used.

NOTE 21: Financial Risk Management (cont'd)
Price Risk

**JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016**

Price risk relates to the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Group is exposed to securities price risk on investments held for trading or for medium to longer term. Such risk is managed through diversification of investments across industries and geographical location.

The Group's investments are held in the following sectors at reporting date.

| | Consolidated Group | |
|-----------|---------------------------|-------------|
| | 2016 | 2015 |
| Materials | 100% | 100% |
| | 100% | 100% |

Sensitivity Analysis

The following table illustrates sensitivity to the Group's exposures to changes in the interest rate. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

| | Consolidated Group | |
|-------------------------|---------------------------|---------------|
| | Profit | Equity |
| | \$ | \$ |
| 2016 | | |
| +/- 2% in interest rate | +/- 722 | +/- 722 |
| 2015 | | |
| +/- 2% in interest rate | +/- 74 | +/- 74 |

NOTE 22: Events After Balance Sheet Date

There have been no material circumstances that have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in the future years.

NOTE 23: Company Details

The registered office and principle place of business of the Company is:

Shop 12 "South Shore Piazza"
85 South Perth Esplanade
South Perth WA
6151

NOTE 24: Parent Entity Information

| | 2016 | 2015 |
|--|-------------|-------------|
| Information relating to JV Global Ltd: | \$ | \$ |

JV GLOBAL LTD ABN 80 009 142 125
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

| | | |
|---|---------------------|---------------------|
| Current assets | 546,648 | 1,171,565 |
| Total assets | 546,648 | 1,171,565 |
| Current liabilities | 1,797,017 | 2,082,063 |
| Total liabilities | <u>1,797,017</u> | <u>2,082,063</u> |
| Issued capital | 22,726,332 | 22,726,332 |
| Retained earnings | <u>(23,176,701)</u> | <u>(23,636,830)</u> |
| Total shareholders' equity | <u>(1,250,369)</u> | <u>(910,498)</u> |
| Profit or loss of the parent entity | <u>(339,871)</u> | <u>(122,435)</u> |
| Total comprehensive income of the parent entity | <u>(339,871)</u> | <u>(122,435)</u> |

**JV GLOBAL LTD (ABN 80 009 142 125)
AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION**

The directors of the Company declare that:

1. the financial statements and notes and the remuneration disclosures that are contained in the Remuneration Report within the Directors' Report are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporate Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June, 2016 and of the performance for the year ended on that date of the Company and Group; and
 - (c) complies with International Financial Reporting Standards as disclosed in Note 1.
2. the Chief Executive Officer and the Chief Financial Officer have each declared that:
 - (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Collin Vost
Director

Dated: 31 August 2016



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
JV Global Ltd
PO Box 255
South Perth WA 6951

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2016 financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rolf Garda (Lead auditor)

Rothsay

Dated 31 August 2016



Chartered Accountants



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Busienss Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF JV GLOBAL LIMITED

Report on the financial report

We have audited the accompanying financial report of JV Global Limited (the Company") which comprises the balance sheet as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes 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 year.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of 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 our 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, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

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

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.



Chartered Accountants



Audit opinion

In our opinion the financial report of JV Global Limited is in accordance with the *Corporations Act 2001*, including:

- a) (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 issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates the basis for preparing the accounts on a going concern basis. We note the consolidated entity had net cash inflows from operating activities for the year ending 30 June 2016 of \$289,761 and has a deficiency of net assets of \$1,250,369. In the event the consolidated entity is unable to raise additional share capital, obtain additional debt funding on favourable terms and dispose of projects at a profit, there is significant uncertainty as to whether the consolidated entity could continue as a going concern and therefore may be unable to realise its assets and extinguish its liabilities in the normal course of business and for the amounts stated in the financial report.

Report on the remuneration report

We have audited the remuneration report included in 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.

Audit opinion

In our opinion the remuneration report of JV Global Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

Rothsay

Rolf Garda
Partner

Dated 31 August 2016



Chartered Accountants