



# 2014

## Annual Report





*All about you*



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# *From the Chair and CEO*

Dear Shareholder,

On behalf of the Board of OneVue Holdings Limited, we are pleased to present OneVue's first Annual Report as a listed company. For the year ended 30 June 2014, the prospectus forecasts were met and we continued to build the business through organic growth, targeted acquisitions and leveraging existing client relationships.

We had a successful Initial Public Offer after financial year end, with 40 million shares or \$14 million subscribed. The ASX listing (ASX:OVH) provided OneVue with an increased profile and access to capital.

## **Met our targets with strong growth**

Retail Funds Under Administration (FUA) reached a new company record of \$1,940 million in June 2014. This robust growth in FUA, boosted by inflows from our platform clients, delivered diversification of clients, revenues and products. Group revenue of our top 11 clients now represents less than 50% of total revenue.

Total revenue for the financial year grew significantly to \$13.7 million, comprising organic growth of 28% with acquisitions contributing 148%. Operating expenses were marginally higher than forecast reflecting the increased revenue. Underlying EBITDA was a loss of \$2.0 million for the year.

## **Acquisitions drove growth**

We made three acquisitions during the financial year: Computershare Fund Services in September 2013; MAP Funds Management Ltd in February 2014; and an SMSF administration business in May 2014. The three acquisitions increased total revenue by \$7.3 million in FY2014. We rapidly reduced their total operating expenses underlining OneVue's strengths in re-engineering and integration.

Subsequent to the end of the financial year, we have continued to expand the business with the acquisition of Select Asset Management Limited and Select Investment Partners Limited. A cornerstone of the transaction is the strong cultural and strategic fit between the two companies.

Select's responsible entity (RE) services now forms part of a total outsourcing package which is unique in the market. This package includes unit registry, mFund, Calastone and RE services. The Select Investment Partners business delivers scale and a broader and deeper implemented portfolio management capability. This positions us well for increasing our superannuation funds under management.

### Looking forward

We continue to see great opportunities in the financial services sector within both Fund Services and Platform Services. OneVue remains focussed on growth by pursuing opportunities with existing and new customers as well as continually monitoring the market to identify strategic acquisitions.

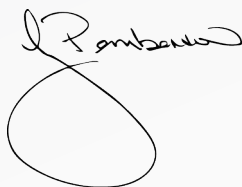
### Recognising our team

During the year the Board was refreshed by adding skills appropriate to work with management to deliver its growth objectives. The new board members appointed were Karen Gibson, Greta Thomas and Garry Wayling.

The Board recognises the contribution made by our dedicated staff. OneVue could not have achieved its high growth objectives during the year without their efforts. We would also like to thank our shareholders for their ongoing support.

Finally, we look forward to working with all our stakeholders in this next phase of the company's growth.

Yours sincerely,



Gail Pemberton  
Chair



Connie McKeage  
Group CEO

**OneVue Holdings Limited**





# Business Overview

OneVue is a wholesale provider of services to participants in the wealth management industry with a focus on the superannuation and investment management sectors. OneVue offers these services through two operating divisions, otherwise known as verticals, being Fund Services and Platform Services.

In financial year 2014, total revenue grew significantly to \$13.7 million. This was achieved by organic growth of 28% and by acquisitions that contributed growth of 148%. By comparison, in financial year 2013, total revenue was \$5.0 million.

OneVue's organic growth has been driven by growth in the wealth management industry, chiefly that of the superannuation and investment management sectors. Growth by acquisitions has been both strategic and opportunistic and is expected to have a multiplier effect on future organic growth.

## Fund Services

The Fund Services vertical provides outsourced unit registry and licenced unit registry software to a range of investment managers, custodians and trustees. A key characteristic of the clients of Fund Services is that they are either manufacturers or custodians of investment products.

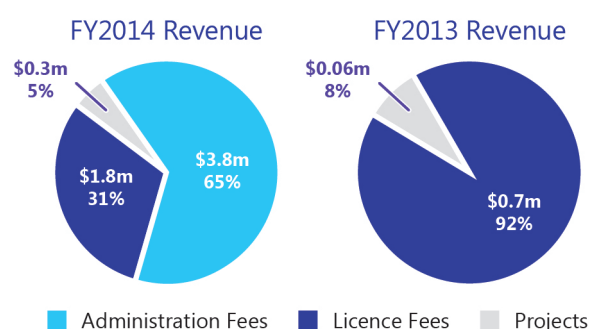
The changing profile of the Fund Services vertical was clearly evident by the end of the financial year. The business has broadened its service offering and diversified the types of revenue.

Year on year revenue increased significantly. Revenue for financial year 2014 was \$5.8 million or 43% of total revenue, compared with \$0.76 million (15% of total) in the prior financial year.

A significant contributor to these changes was the acquisition of Computershare Fund Services in September 2013. With this

acquisition, OneVue expanded into the outsourced registry business and grew its installed software business.

The composition of Fund Services revenue also shifted, with a significantly greater percentage of recurring income, illustrated in the following diagrams:



Recurring revenue is derived from administration fees and software licence fees under contract from investment managers, custodians and trustees.

Administration fees are received for outsourced unit registry services and are charged on a dollar amount per investor, a percentage of Funds Under Administration (FUA) or a combination of both. Software licence fees are earned from the provision of installed software at an investment manager, trustee or custodian.

Transaction revenue is earned from software maintenance and support fees, generally based on an agreed amount per annum indexed to inflation and based on the size and complexity of the investment management operation of the investment manager, custodian or trustee. It also includes charges for project delivery, for example, for the addition of a new investment manager, trustee, custodian or new funds.

The key operating metrics of the Fund Services vertical as at 30 June 2014 include:

- 24 investment managers (including installed software licences) and 4 custodians and trustees
- 116,028 investors
- \$132.6 billion administered on outsourced unit registry FUA

## Growth opportunities

OneVue expects future growth in Fund Services will be achieved organically, driven by:

- Capitalising on the increasing trend for investment managers, custodians and trustees to outsource their unit registry operations
- Opportunities from the adoption and growth of the ASX mFund initiative for the trading and settlement of managed funds via the ASX
- Capturing a greater share of existing clients' unit registry services

## Platform Services

The Platform Services vertical provides its platform and other services to intermediaries, such as financial planners and accountants and to organisations with self-directed investors. These organisations leverage their brand and existing client relationships to offer wealth products, including superannuation and other investments. Within Platform Services, OneVue also offers a retail superannuation fund as well as specialist SMSF compliance and administration services.

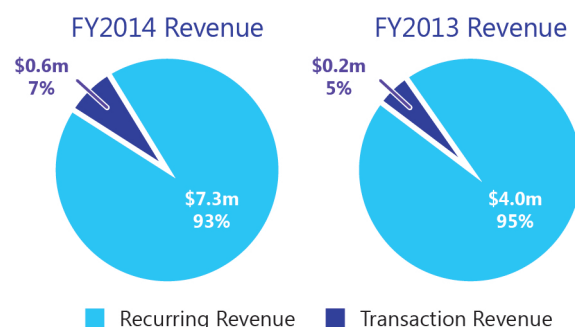
Further growth and diversity of revenue was achieved within the Platform Services vertical through the year as a result of acquisitions and organic growth.

Over the 12 months to 30 June 2014, Platform Services grew its total retail FUA by 87% to \$1,940 million. Organic growth of retail FUA was 32% and 55% from acquisition.

The consistent growth in net positive retail flows and FUA resulted in revenue for financial year 2014 of \$7.8 million or 57% of total revenue, compared with \$4.2 million (85% of total) in the prior financial year.

Within the Platform Services vertical, OneVue earns fees from providing product, tax, reporting, administration and SMSF services. This revenue is predominantly recurring in nature, comprising of yearly renewals and service fees. OneVue also earns some non-recurring revenue from setup fees for branding of websites, project management and delivery charges and document fees for the establishment of new SMSFs.

Two acquisitions, MAP Funds Management, a superannuation trustee, and the SMSF administration business owned by



Super Managers Australia, were completed during the year adding approximately \$572 million in FUA. The full year revenue benefit from these acquisitions will materialise in financial year 2015.

The acquisition of MAP Funds Management in February 2014, which followed collaboration over several years on the development of various products and investment options, has strengthened OneVue's position in the retail superannuation market.

SMSF Managers, the rebranded SMSF business that was acquired in May, has strengthened OneVue's expertise, capability and reach in the SMSF sector. The award-winning business complements our existing investment administration business and has extended OneVue's SMSF services in the areas of tax and audit.

The key operating metrics include:

- 11 branded offerings
- \$1,940 million retail FUA
- 277 intermediaries using the platform
- 6,283 accounts

## Growth objectives

OneVue plans to continue to grow revenue in the Platform Services vertical organically and by acquisition. Its objective is to capture greater market share in the superannuation services sector by:

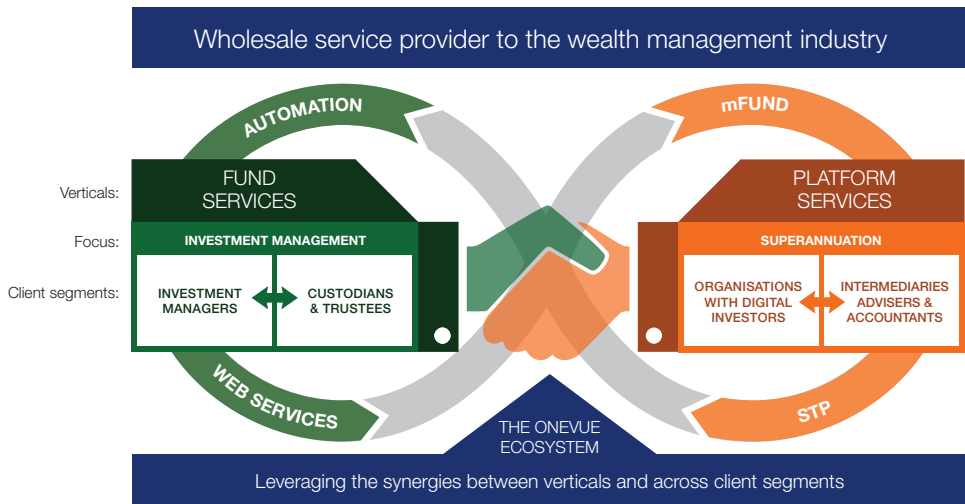
- Seeking successor fund transfers and further scale in SMSF administration
- Building the existing intermediary relationships and gaining a larger share of total FUA
- Gaining new retail and SMSF superannuation clients
- Delivering innovative solutions to the digital investor and increasing the OneVue footprint in this self-directed market

## Summary

The interaction between the Fund Services and Platform Services verticals and between the two client segments within Platform Services creates a unique proposition. The OneVue team pro-actively look for opportunities to bring clients together who can offer each other complementary, value adding services such as distribution, advice or product

manufacturing. By introducing clients across its business, OneVue can enhance growth across both verticals and foster deeper client relationships.

The following diagram is a visual representation of OneVue's operating model.



There is a natural interplay between clients in the two verticals, which creates an aligned business community coined the "OneVue ecosystem".

Platform Services' clients distribute investment products to their end clients and Fund Services' clients manufacture investment products. In addition, within the Platform Services vertical, self-directed investors may seek advice and intermediary clients provide advice.

OneVue expects to continue to grow revenue organically and by targeting acquisitions that are earnings accretive and add strategic capabilities.

As part of its acquisition strategy, OneVue announced post year end that it had acquired the Select Group, which is expected to be accretive on an EBITDA per share basis for financial year 2015. The acquisition is strategically important in delivering value added services to the clients of Fund Services and Platform Services.

## Select acquisition

After the end of the financial year, OneVue acquired Select Asset Management Limited (SAML), trading as Select Fund Services and Select Investment Partners Limited (SIPL). A cornerstone of the transaction is the strong cultural and strategic fit between the two companies.

Select's responsible entity (RE) services now forms part of the Fund Services total outsourcing package which is unique in the market. This package includes unit registry, mFund, Calastone and RE services.

The Select Investment Partners business delivers scale and a broader and deeper implemented portfolio capability. This positions the combined group well for increasing our superannuation funds under management.

Select was established in 2002 and recorded a total revenue in financial year 2014 of \$7.1 million and has been profitable for the past five financial years. Total retail Funds Under Management and Administration for OneVue increases from \$1,940 million as at 30 June 2014 to \$2,609 million, and total funds under supervision rises from \$711 million to \$1,614 million. The transaction was fully funded from existing cash reserves and the issue of OneVue shares. It follows OneVue's stated objective to grow organically and acquisitively, and is strategically important in delivering value added services to both Fund Services and Platform Services.

Post the acquisition, Select's Executive Chairman Brendan Foley was appointed deputy CEO of OneVue.



# Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to as the 'consolidated entity') consisting of OneVue Holdings Limited (referred to as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2014.

## Directors

The following persons were Directors of OneVue Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Gail Pemberton
- Connie Mckeage
- Karen Gibson (appointed on 1 March 2014)
- Greta Thomas (appointed on 27 March 2014)
- Garry Wayling (appointed on 7 February 2014)
- Nigel Stokes (resigned on 13 May 2014)
- Peter Kennedy (resigned on 7 February 2014)
- Steven Fuller (resigned on 1 October 2013)

## Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

- Unit registry services
- Investment administration

Both activities were significantly enhanced during the year by acquisitions:

- The unit registry division, known as Fund Services, acquired Computershare Fund Services Pty Ltd
- The investment administration division, known as Platform Services, acquired MAP Funds Management Ltd, SMA Tax and SMSF Services Pty Ltd and purchased assets of the SMSF business unit from Super Managers Ltd.

## Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2014	2013
	\$'000	\$'000
Final dividend for the year ended 30 June 2013	—	—
Interim dividend for the year ended 30 June 2014	—	—
	—	—

On 23 June 2014 the Directors declared that OneVue Holdings Limited does not intend to declare a dividend for the years ended 30 June 2014 or 2015. Dividends are not expected to be declared in respect of any period after 30 June 2015 unless they can be paid on a fully franked basis.

## Review of operations

Total revenue grew significantly to \$13.2 million. This was achieved by organic growth of 28% and by acquisitions that contributed growth of 148%.

The Board uses EBITDA (earnings before interest, tax, depreciation and amortisation) as a principal profit measure. Adjusted for non-recurring items, the underlying EBITDA for the year ended 30 June 2014 was a loss of \$2.0 million.

The underlying EBITDA excludes non-recurring costs of \$2.6 million, \$1.3 million of depreciation and amortisation expenses, and \$0.8 million tax benefit. The non-recurring costs comprised acquisition and related restructuring costs of \$1.8 million and

expensed IPO costs of \$0.6 million. The 2014 financial year has been a significant year for the company and has laid the foundations for the future.

The loss for the consolidated entity after income tax amounted to \$5.2 million (this compared to a net loss of \$1.7 million for the year ended 30 June 2013).

Fund Services, which offers outsourced registry and licenced unit registry software, completed the acquisition of Computershare Fund Services Pty Ltd (CFS) in September 2013. This contributed to a significant increase in revenue year on year with revenue for the year ended 30 June 2014 of \$5.8 million or 43% of total revenue compared with previous corresponding period of \$0.7 million or 15%.

Platform Services, which offers online reporting and transaction capabilities across the superannuation sector, completed the acquisitions of MAP Funds Management Ltd (MAP) and the SMSF business which became SMSF Managers Pty Ltd in February and May 2014, respectively adding superannuation trustee and SMSF administration capabilities. These acquisitions helped boost the revenue year on year, with revenue for the year ended 30 June 2014 of \$7.8 million or 57% of total revenue compared with previous corresponding period of \$5.8 million or 43%.

Diversity of revenue within each business unit also improved during the year.

After the initial public offering, the financial position of the consolidated entity is strong and it has no external bank borrowings.

## Significant changes in the state of affairs

The company completed three acquisitions during the year; OneVue Fund Services Pty Ltd (formerly Computershare Fund Services Pty Ltd); MAP Funds Management Ltd and its controlled entity; and SMA Tax and SMSF Services Pty Ltd and business assets.

The company provided an interest free loan to Super Managers for an amount of \$1.5 million during the year. The period of the loan is expected to be 2 years and 4 months.

OneVue Holdings paid a total of \$3.25 million cash over four instalments through to September 2014 and issued convertible notes with a face value of \$1.44 million converting in two equal tranches in September 2014 and September 2015 as part of the CFS acquisition during the year.

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

## Matters subsequent to the end of the financial year

On 25 July 2014, OneVue Holdings Limited commenced trading on the ASX (ASX: OVH). The company successfully raised \$14 million by way of an Initial Public Offer for 40 million ordinary shares. The company is planning on using \$3 million to complete existing acquisitions, \$3.4 million for potential other acquisitions (including Select outlined below), \$5 million for regulatory purposes, \$1.4 million for IPO costs and \$1.2 million for working capital. The use of funds is in line with pre-quotation disclosure, which was lodged with the ASX on 24 July 2014.

On 28 August 2014, OneVue acquired 100% of the shares of Select Asset Management Limited (SAML), trading as Select Fund Services, and Select Investment Partners Limited (SIPL).

Consideration for SAML comprises net \$2.7 million in cash. SAML holds regulatory capital comprising mostly of cash. OneVue paid SAML shareholders \$2.4 million at completion on 28 August 2014, and will pay a further \$2.2 million to the SAML vendor shareholders upon the earlier of the date the SAML and OneVue RE licenses are merged, or 6 months after completion. At that time cash balances within the net tangible assets of SAML will be assumed by OneVue reducing the net cash cost of the transaction back to the agreed consideration.

The consideration for SIPL comprises:

- Base Consideration paid on completion of \$4.3 million in fully paid ordinary shares in OneVue Holdings Limited at an agreed price of \$0.35 each, being a total of 12.3 million OneVue shares (representing approximately 7.4% of OneVue's expanded issued capital); plus
- Deferred Consideration to be calculated as 50% of actual Select Brand Book Revenue for financial year 2015 minus \$0.5 million, payable in respect of the two 6 monthly periods of financial year 2015 and in fully paid ordinary shares in OneVue at an agreed price of \$0.35 each.

In respect of the CFS acquisition, post year end Computershare Investor Services Pty Ltd elected to redeem the convertible note as a cash payment of \$720,000.

## Likely developments and expected results of operations

Information on likely developments in the operations of the economic entity and the expected results of operations in future financial years has not been included in this report. Disclosure of such information would be likely to result in unreasonable prejudice to the consolidated entity.

## Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

## Information on Directors

The following information is current as at the date of this report.

Gail Pemberton	
Title:	Non-Executive Chair
Qualifications:	MA, FAICD
Experience and expertise:	Gail has over 35 years of corporate, business leadership and senior executive experience including 20 years at Macquarie Bank and 5 years at BNP Paribas Securities Services. Gail joined the Board of OneVue Holdings Limited in 2007 as Chair.
Other current directorships:	Non-Executive Director UXC Limited and Chair of Onthehouse Holdings Limited.
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit, Risk Management and Compliance Committee and Human Resources, Nomination and Remuneration Committee.
Interests in shares:	1,698,177 ordinary shares
Interests in options:	348,790 options

Connie Mckeage	
Title:	Managing Director and Chief Executive Officer
Qualifications:	Dip Arts & Sci
Experience and expertise:	Connie has more than 30 years of experience in asset management, broking, consulting and business leadership roles
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Human Resources, Nomination and Remuneration Committee
Interests in shares:	2,209,506 ordinary shares
Interests in options:	None

Garry Wayling (appointed on 7 February 2014)	
Title:	Non-Executive Director
Qualifications:	BCom, GAICD, ACA
Experience and expertise:	Garry has more than 35 years of accounting and business leadership experience
Other current directorships:	None
Former directorships (last 3 years):	Coalworks Limited
Special responsibilities:	Chair of the Audit, Risk Management and Compliance Committee
Interests in shares:	71,428 ordinary shares
Interests in options:	125,000 options

Greta Thomas (appointed on 27 March 2014)	
Title:	Non-Executive Director
Qualifications:	MBA, GAICD
Experience and expertise:	Greta has more than 25 years of innovation, strategy, marketing and business growth experience with organisations including McKinsey & Company, eBay and (RED).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit, Risk Management and Compliance Committee and the Member Committee
Interests in shares:	28,571 ordinary shares
Interests in options:	125,000 options

Karen Gibson (appointed on 1 March 2014)	
Title:	Non-Executive Director
Qualifications:	BSc, MBA, GAICD
Experience and expertise:	Karen has more than 20 years of corporate and senior executive experience in superannuation and financial services.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Human Resources, Nomination and Remuneration Committee
Interests in shares:	75,000 ordinary shares
Interests in options:	125,000 options

Nigel Stokes (resigned on 13 May 2014)	
Title:	Former Non-Executive Director
Qualifications:	BEC
Experience and expertise:	Nigel has more than 15 years of corporate finance experience and over 30 years in public finance with the NSW and Commonwealth Governments.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a Director
Interests in options:	Not applicable as no longer a Director

Peter Kennedy (resigned on 7 February 2014)	
Title:	Former Non-Executive Director
Qualifications:	BComm
Experience and expertise:	Peter has more than 33 years of investment banking, fund management and financial institution product development experience.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a Director
Interests in options:	Not applicable as no longer a Director

Steven Fuller (resigned on 1 October 2013)	
Title:	Former Executive Director
Qualifications:	BEC, LLB, LLM, MBA
Experience and expertise:	Solicitor of the Supreme Court of NSW, over 25 years' experience in commercial law.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a Director
Interests in options:	Not applicable as no longer a Director

Other current directorships and former directorships are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

## Company Secretary

Thomas Robertson (F Fin, BCom, GDipAppFin, GDipFinPlan, JD) has held the role of Company Secretary and Head of Corporate Services and Governance since April 2014. He was previously Head of Compliance for IOOF Holdings Limited for nine years.

## Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2014, and the number of meetings attended by each Director were:

### Meetings of Directors

	Full Board		Human Resources, Nomination and Remuneration Committee		Audit, Risk Management and Compliance Committee	
	Attended	Held	Attended	Held	Attended	Held
Gail Pemberton	12	12	—	—	—	—
Connie Mckeage	11	12	—	—	—	—
Garry Wayling	4	4	—	—	—	—
Greta Thomas	3	3	—	—	—	—
Karen Gibson	4	4	—	—	—	—
Nigel Stokes	10	11	—	—	—	—
Peter Kennedy	5	8	—	—	—	—
Steven Fuller	0	1	—	—	—	—

**Held:** represents the number of meetings held during the time the Director held office or was a member of the relevant committee. The Board committees were constituted in contemplation of, and met subsequent to, the company being listed.

## Remuneration report (audited)

This remuneration report for the year ended 30 June 2014 outlines the remuneration arrangements of the consolidated entity in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited.

The remuneration report details the remuneration arrangements for key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Directors (whether executive or otherwise) of the parent company.

The remuneration report is presented under the following sections:

- Individual key management personnel disclosures
- Board oversight of remuneration
- Non-Executive Director remuneration arrangements
- Use of remuneration consultants
- Executive remuneration arrangements
- Executive contractual arrangements
- Equity instruments
- Additional information

### Individual key management personnel disclosures

Directors	
Gail Pemberton	Chair (non-executive)
Connie Mckeage	Managing Director and Chief Executive Officer
Garry Wayling	Director (non-executive) appointed 7 February 2014
Karen Gibson	Director (non-executive) appointed 1 March 2014
Greta Thomas	Director (non-executive) appointed 27 March 2014
Nigel Stokes	Director (non-executive) resigned 13 May 2014
Peter Kennedy	Director (non-executive) resigned 7 February 2014
Steven Fuller	Director (executive) resigned 1 October 2013
Executives	
Brett Marsh	Chief Financial Officer
Lisa McCallum	Chief Operating Officer
James Thorpe	Chief Technology Officer
Thomas Robertson	Company Secretary and Head of Corporate Services and Governance appointed Company Secretary 23 April 2014

There are no other specified officers of the Company.

## Board oversight of remuneration

### Human Resources, Nominations and Remuneration Committee

The Human Resources, Nominations and Remuneration Committee (HRNRC) is a committee of the Board. The committee is responsible for making recommendations to the Board on remuneration policy and reward structures, board and committee structures, succession and diversity strategy. The committee is also responsible for ensuring that management has an appropriate Human Resources policy framework in place including recruitment, retention, performance measurement and termination policies.

The HRNRC assesses the appropriateness of the composition and quantum of remuneration for the CEO, direct reports to the CEO and Non-Executive Directors by reference to relevant employment market conditions, with the overall objective of attracting and retaining Directors and executives who will create value for shareholders. In determining the level and composition of executive remuneration, the HRNRC committee may engage external consultants to provide independent advice.

The HRNRC comprises two independent Non-Executive Directors and the Managing Director. Consistent with the Board Charter, the HRNRC membership will be reviewed annually.

### Remuneration approval process

The Board determines the remuneration arrangements of the CEO. The Board approves the remuneration arrangements of the direct reports to the CEO including awards made under incentive plans, following recommendations from the HRNRC.

For the 2015 financial year the Board has approved a short-term incentive plan with a retention component. This will be reviewed and replaced for the 2016 financial year. Consideration will be given to the introduction of a long term incentive plan at that time. The Board also sets the aggregate remuneration of Non-Executive Directors, which is then subject to shareholder approval. The HRNRC reviews fees paid to Non-Executive Directors annually by reference to fees paid to Directors of companies of similar scale and in a similar sector.

### Remuneration strategy

The consolidated entity's remuneration strategy is designed to attract, motivate and retain employees by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the company.

To this end, key objectives of the company's reward framework are to ensure that remuneration practices:

- Aligned to the company's business strategy and shareholder interests
- Offer competitive total remuneration packages designed to reward outperformance
- Provide strong links between individual and company performance



## Non-Executive Director remuneration arrangements

### Remuneration structure

In accordance with best practice corporate governance, the structure of Non-Executive Director and executive remuneration is separate and distinct.

### Structure

The remuneration of Non-Executive Directors consists of Director fees and committee fees (where applicable). The current Non-Executive Directors received a single grant of options upon appointment by a resolution of the board. Non-Executive Directors do not receive retirement benefits.

ASX listing rules require the aggregate Non-Executive Directors' remuneration to be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 24 January 2014, where the shareholders approved an aggregate remuneration limit of \$500,000.

Annual fees applicable (inclusive of any applicable superannuation)	As at 30 June 2014		As at 30 June 2013	
	Chair (\$)	Member (\$)	Chair (\$)	Member (\$)
Board	100,000	50,000	—	13,750
Audit, Risk Management and Compliance Committee	10,000	—	—	—
Human Resources, Nominations and Remuneration Committee	10,000	—	—	—

## Use of remuneration consultants

During the financial year ended 30 June 2014, the company engaged Godfrey Remuneration Group Pty Limited (GRG), remuneration consultants, to provide information and recommendations regarding executive incentives. GRG was paid \$15,000 for these services.

An agreed set of protocols were put in place to ensure that the remuneration recommendations would be free from undue influence from key management personnel. The Board is satisfied that these protocols were followed and as such there was no undue influence.

## Executive remuneration arrangements

### Remuneration levels and mix

The consolidated entity aims to reward executives with a level and mix of remuneration that is commensurate with their position and responsibilities, and which has both fixed and variable components.

### Structure

In the 2014 financial year, the executive remuneration framework consisted of the following components:

- Fixed remuneration which may be received in the form of base salary, superannuation and non-monetary benefits
- Variable remuneration for eligible staff comprising discretionary short term incentives.

### Fixed remuneration

The overall increase to total fixed remuneration is reviewed annually by the Human Resources, Nominations and Remuneration Committee, based on the overall performance of the consolidated entity and comparable market remuneration trends.

Executive contracts of employment do not include any guaranteed base pay increases.

Executives may receive their fixed remuneration in the form of cash, superannuation contributions or fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

### Variable remuneration

There was no variable remuneration paid to directors or key management personnel in the year ended 30 June 2014. The Board have introduced an incentive scheme for the 2015 financial year which is focused on rewarding outperformance as measured by EBITDA. Participating executives will receive entitlements from a capped bonus pool in the form of cash and share entitlements vesting over two years to 30 September 2016. This entitlement will apply if the EBITDA for the 2015 financial year exceeds the prospectus forecast of \$450,000 and reaches a cap if the EBITDA exceeds two million dollars. An LTI program does not apply for the 2015 financial year.

The Board will review the current incentive scheme prior to the end of the 2015 financial year with changes to take effect in the 2016 financial year.

### Employee share scheme grant

The Board granted 2,000 shares to each eligible employee of the company at 31 March 2014 under section 83A-35 of the Income Tax Assessment Act 1997.

## Executive contractual arrangements

Remuneration arrangements for key management personnel are formalised in employment agreements. None of these arrangements have a fixed term.

### Managing Director

Connie Mckeage is employed under an ongoing contract with the following key terms:

- OneVue may pay Ms Mckeage an annual bonus having regard to the financial performance of the Company and Ms Mckeage's performance against her key performance indicators.
- Ms Mckeage is entitled to 30 business days of annual leave each year.
- The Employment Contract may be terminated by either party giving the other three months written notice. OneVue may terminate the Employment Contract without notice in the event of serious misconduct, neglect of duty or dishonesty on the part of Ms Mckeage.

### Other key management personnel

Other key management personnel are employed under ongoing contracts with the following key terms:

- OneVue may pay executives an annual bonus having regard to the financial performance of the Company and the executive's performance against their key performance indicators.
- Each executive is entitled to 20 business days of annual leave each year.
- The Employment Contract may be terminated by either party giving the other four weeks written notice. OneVue may terminate the Employment Contract without notice in the event of serious misconduct, neglect of duty or dishonesty on the part of executive.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

### Details of remuneration

#### Amounts of remuneration

Details of the remuneration of the key management personnel of the consolidated entity are set out in the following tables.

## Financial year ended 30 June 2014

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees (\$)	Bonus (\$)	Non-monetary (\$)	Superannuation (\$)	Long service leave (\$)	Equity settled (\$)	Total (\$)
Non-Executive Directors							
Gail Pemberton* (Chair)	25,840	—	—	—	—	1,903	27,743
Garry Wayling <sup>1</sup>	19,069	—	—	6,733	—	1,269	27,071
Greta Thomas* <sup>2</sup>	13,748	—	—	—	—	1,269	15,017
Karen Gibson <sup>3</sup>	45,645	—	—	4,222	—	1,269	51,136
Nigel Stokes* <sup>4</sup>	27,500	—	—	—	—	—	27,500
Peter Kennedy <sup>5</sup>	—	—	—	—	—	—	—
Executive Directors							
Connie Mckeage	109,840	—	—	10,160	20,806	—	140,806
Steven Fuller <sup>6</sup>	130,900	—	—	—	—	14,122	145,022
Other key management personnel							
Brett Marsh	151,174	—	524	13,984	23,167	71,360	260,209
Lisa McCallum	156,579	—	524	14,484	—	60,303	231,890
Thomas Robertson <sup>7</sup>	48,367	—	524	4,474	—	7,851	61,216
James Thorpe	158,491	—	524	14,660	20,818	71,876	266,369
	887,153	—	2,096	68,717	64,791	231,222	1,253,979

\* Represents remuneration including GST

<sup>1</sup> Appointed 7 February 2014

<sup>2</sup> Appointed 27 March 2014

<sup>3</sup> Appointed 1 March 2014

<sup>4</sup> Resigned 13 May 2014. Nigel Stokes continues to provide consulting services to the consolidated entity after his resignation as a Non-Executive Director.

<sup>5</sup> Resigned 7 February 2014

<sup>6</sup> Resigned 1 October 2013. Steven Fuller continues to provide consulting services to the consolidated entity after his resignation as an Executive Director.

<sup>7</sup> Appointed Company Secretary 23 April 2014

All amounts represent remuneration expenses incurred in the financial year, noting engagement and resignation dates. No remuneration was linked to performance.

## Financial year ended 30 June 2013

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees (\$)	Bonus (\$)	Non-monetary (\$)	Superannuation (\$)	Long service leave (\$)	Equity settled (\$)	Total (\$)
Non-Executive Directors							
Gail Pemberton* (Chair)	—	—	—	—	—	—	—
Garry Wayling	—	—	—	—	—	—	—
Greta Thomas*	—	—	—	—	—	—	—
Karen Gibson	—	—	—	—	—	—	—
Nigel Stokes*	13,750	—	—	—	—	—	13,750
Peter Kennedy	—	—	—	—	—	—	—
Executive Directors							
Connie Mckeage	30,000	—	—	2,700	—	—	32,700
Steven Fuller	99,821	—	—	4,586	—	—	104,407
Other key management personnel							
Brett Marsh	129,358	—	—	11,642	17,744	—	158,744
Lisa McCallum	129,358	—	—	11,642	—	—	141,000
Thomas Robertson	—	—	—	—	—	—	—
James Thorpe	150,000	—	—	13,500	—	—	163,500
	552,287	—	—	44,070	17,744	—	614,101

\* Represents remuneration including GST

All remuneration was fixed remuneration and no remuneration was linked to performance for key management personnel.

## Equity investments

### Issue of shares

A total of 8,000 shares were issued to the four key management personnel for nil consideration as part of compensation during the year ended 30 June 2014, which is disclosed in the bonus column in the tables above and below.

### Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors in this financial year or future reporting years are as follows:

Grant date	Exercisable date	Expiry date	Exercise price	Fair value per option at grant date
1 Mar 2014	25 Jul 2015	25 Jan 2016	\$0.35	\$0.04

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by Directors as part of compensation during the year ended 30 June 2014 are set out below:

Name	Number of options granted during the year		Number of options exercised during the year	
	2014	2013	2014	2013
Gail Pemberton (Chair)	187,500	—	—	—
Garry Wayling	125,000	—	—	—
Greta Thomas	125,000	—	—	—
Karen Gibson	125,000	—	—	—
Steven Fuller	—	—	239,758	—

Options over ordinary shares were granted during the year ended 30 June 2014 but none were exercised or lapsed for Directors as part of compensation during the year ended 30 June 2014.

## Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of key management personnel in this financial year or future reporting years are as follows:

Grant date	Exercisable date	Expiry date	Exercise price	Fair value per option at grant date
1 Mar 2014	16 May 2014	31 Dec 2014	\$0.262	\$0.00105

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to key management personnel as part of compensation during the year ended 30 June 2014 are set out below:

Name	Number of options granted during the year		Number of options exercised during the year	
	2014	2013	2014	2013
Brett Marsh	339,924	—	1,076,620	—
Lisa McCallum	328,705	—	893,351	—
Thomas Robertson	95,420	—	95,420	—
James Thorpe	358,658	—	1,077,931	—

Values of options over ordinary shares granted, exercised and lapsed for key management personnel as part of compensation during the year ended 30 June 2014 are set out below:

Name	Value of options granted during the year (\$)	Value of options exercised during the year (\$)	Value of options lapsed during the year (\$)	Remuneration consisting of options for the year (%)
Brett Marsh	7,472	63,889	—	27.4
Lisa McCallum	7,225	53,097	—	26.0
Thomas Robertson	2,097	5,754	—	12.8
James Thorpe	7,883	63,992	—	27.0

All options held by key management personnel were exercised during 2014 prior to the initial public offering. The only options remaining at 30 June 2014 are those granted to the Non-Executive Directors as disclosed above. Limited recourse loans were provided to key management personnel upon exercising of options during the financial year.

## Additional disclosures relating to key management personnel

### Shareholding

The number of shares in the company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Ordinary shares	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/other	Balance at the end of the year
Gail Pemberton	1,213,333	—	484,844	—	1,698,177
Garry Wayling	—	—	—	—	—
Greta Thomas	—	—	—	—	—
Karen Gibson	—	—	—	—	—
Nigel Stokes	5,522,081	—	—	—	5,522,081
Peter Kennedy	947,883	—	332,996	—	1,280,879
Connie Mckeage	43,087,205	—	419,847	(4,500,000)	39,007,052
Brett Marsh	135,614	2,000	1,172,040	—	1,309,654
Lisa McCallum	1,096,667	2,000	1,316,212	—	2,414,879
Thomas Robertson	—	2,000	95,420	—	97,420
James Thorpe	714,315	2,000	1,459,610	—	2,175,925
Steven Fuller	567,720	—	239,758	—	807,478
	53,284,818	8,000	5,520,727	(4,500,000)	54,313,545

## Options over ordinary shares

The number of options over ordinary shares in the company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Options held at 30 June 2013	Options granted	Number of options exercised	Options held at 30 June 2014
Gail Pemberton	161,290*	187,500	—	187,500 161,290*
Garry Wayling	—	125,000	—	125,000
Greta Thomas	—	125,000	—	125,000
Karen Gibson	—	125,000	—	125,000
Nigel Stokes	—	—	—	—
Peter Kennedy	—	—	—	—
Connie Mckeage	—	—	—	—
Brett Marsh	736,696 412,903*	339,924	1,076,620	412,903*
Lisa McCallum	564,646	328,705	893,351	—
Thomas Robertson	—	95,420	95,420	—
James Thorpe	719,273 639,000*	358,658	1,077,931	639,000*
Steven Fuller	239,758	—	239,758	—
	2,260,373 1,213,193*	1,685,207	3,383,080	562,500 1,213,193*

\* Options granted by the Abtourk (Syd No. 415) Pty Ltd over issued shares with an exercise price of \$0.25, exercisable and expiring on 31 December 2014.

## Other transactions with key management personnel and their related parties

The company is the beneficiary of four bank guarantees over assets held by a former Director who resigned on 13 May 2014, Nigel Stokes, existing substantial shareholder Abtourk (SYD No. 368) Pty Ltd and Michael Cole [who controls Abtourk (SYD No. 368) Pty Ltd] in his personal capacity in respect of two guarantees, whereby security over personal assets is provided as cover for guarantees to the value of \$2.5 million offered by IMB Building Society to cover regulatory capital requirements. No financial benefit was provided by the company for the four bank guarantees. There were no other transactions with key management personnel and their related parties during the financial year.

This concludes the remuneration report, which has been audited.

## Shares under option

Unissued ordinary shares of OneVue Holdings Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
1 March 2014	25 January 2016	\$0.35	562,500

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of any related entity of OneVue Holdings Limited.

## Shares issued on the exercise of options

The following ordinary shares of OneVue Holdings Limited were issued during the year ended 30 June 2014 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
January–June 2010	\$0.25	4,795,151
1 March 2014	\$0.262	1,809,396
21 May 2014	\$0.262	85,878
21 May 2014	\$0.262	85,878

## Indemnity and insurance of officers

The company has indemnified the Directors and executives of the company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the Directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.



## Additional information

### Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

### Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

### Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 30 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 30 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

### Officers of the company who are former audit partners of BDO East Coast Partnership

There are no officers of the company who are former audit partners of BDO East Coast Partnership.

### Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

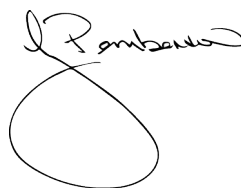
### Auditor

BDO East Coast Partnership continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors



Gail Pemberton  
Chair

29 September 2014, Sydney

# Auditor's Independence Declaration



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Level 11, 1 Margaret St  
Sydney NSW 2000

Australia

## DECLARATION OF INDEPENDENCE BY ARTHUR MILNER TO THE DIRECTORS OF ONEVUE HOLDINGS LIMITED

As lead auditor of OneVue Holdings Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of OneVue Holdings Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Arthur Milner', is written over a light blue horizontal line.

Arthur Milner  
Partner

BDO East Coast Partnership

Sydney, 29 September 2014

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

# Corporate Governance

The Board of the company is committed to the principles of best practice in corporate governance and is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the company, its shareholders and other stakeholders.

This statement sets out the company's current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Board considers that the company complies with the Principles other than Recommendation 3.3 as described in relation to Principle 3 below.

Copies of the charters and policies referred to below can be obtained from the company's website ([www.onevue.com.au](http://www.onevue.com.au)) in the Corporate Governance section of the Investor Centre.

## Principle 1 – Lay solid foundations for management and oversight

The Board's responsibilities are contained in the company's Board Charter. The Board Charter also sets out the responsibilities of the Chief Executive Officer. The functions of the Board, Chairman and Chief Executive Officer are also specifically set out in the Board Charter. The Board Charter also explains the relationship between the Board and management.

The Board is charged with the responsibility of reviewing and evaluating senior management and the responsibility of the Human Resources, Nomination and Remuneration Committee.

Copy of the Board and the Human Resources, Nomination and Remuneration Charters are available on the company's website.

## Principle 2 – Structure the Board to add value

The Board comprises one Executive Director and four Non-Executive Directors. All four Non-Executive Directors, being Gail Pemberton, Karen Gibson, Greta Thomas and Garry Wayling, are considered independent. The company's Chair, Gail Pemberton, is a Non-Executive Director and is considered to be independent and holds this position separately from the Chief Executive Officer, Connie Mckeage.

In view of the size of the company and the nature of its activities, the Board considers that the current mix of skills, qualifications and experience on the Board is consistent with the company's current circumstances and its long-term interests. The company considers that the non-independent Directors possess the skills and experience suitable for building the company.

The Board will regularly review its composition as the company's operations evolve, and may in the future appoint additional independent directors as it deems appropriate.

The Board has appointed a Human Resources, Nomination and Remuneration Committee which fulfils the role of a nomination committee.

## Principle 3 – Promote ethical and responsible decision-making

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The Board has established a Code of Conduct.

The Code of Conduct sets out the company's commitment to shareholder value and outlines the ethical characteristics employees should possess to encourage honest and trustworthy dealings with third parties.

The Board has established a Diversity Policy. The company has a strong commitment to diversity in business which is evidenced through its Diversity Policy. The company has not yet determined measurable objectives for achieving gender diversity as described in Recommendation 3.3 of the Principles.

The company had 123 employees of whom 34% were women at 30 June 2014. Women comprised three out of nine members of the executive team. Women comprised four out of five members of the Board.

Copies of the Code of Conduct and Diversity Policy are available on the company's website.

## Principle 4 – Safeguard integrity in financial reporting

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The Board has established an Audit, Risk Management and Compliance Committee. The Audit, Risk Management and Compliance Committee currently comprises three Non-Executive Directors, being Garry Wayling, Gail Pemberton and Greta Thomas, all of whom are independent Directors. The Audit, Risk Management and Compliance Committee is chaired by Garry Wayling, an independent director.

The Board has established an Audit, Risk Management and Compliance Committee Charter to assist with ensuring the integrity and reliability of information prepared for use by the Board.

A copy of the Audit, Risk Management and Compliance Committee Charter is available on the company's website.

## Principle 5 – Make timely and balanced disclosure

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The Board has adopted a Share Trading Policy. This policy is designed to maintain investor confidence in the integrity of the company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws.

The company has adopted a Continuous Disclosure and Shareholder Communications Policy. This policy sets out, amongst other matters, the manner in which the Board will ensure compliance with the ASX Listing Rule disclosure requirements.

Copies of the Share Trading Policy and Continuous Disclosure and Shareholder Communications Policy are available on the company's website.

## Principle 6 – Respect the rights of shareholders

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The company has established the Continuous Disclosure and Shareholder Communications Policy which sets out, amongst other things, the manner in which the company will promote effective communication with shareholders and encourage their participation at general meetings.

A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the company's website.

## Principle 7 – Recognise and manage risk

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The Board has established an Audit, Risk Management and Compliance Committee to assist with risk oversight, risk management and internal control.

The Board has established the Audit, Risk Management and Compliance Committee Charter which sets out the function of the Audit, Risk Management and Compliance Committee.

### Design

The Board is responsible for setting the policy and procedures to assist with the management of the company's risk profile. The program is designed to ensure risks (strategic, operational, legal, reputational and financial) are identified, assessed, addressed and monitored to enable the company to achieve its business objectives.

### Implement

The management of operational risk and the implementation of mitigation measures remains the responsibility of senior management. In essence, senior management:

- Reports on risk management, including operational issues and operational losses
- Monitors operational control weaknesses and breakdowns, including fraud
- Monitors due diligence enquiries conducted for the appointment and review of outsourced service providers

## Review

The risk management program developed by senior management is reviewed by the Audit Risk Management and Compliance Committee and the Board at least annually or more frequently as required. The program was reviewed by the Board in the year to 30 June 2014.

## Report

The Board receives regular reporting on progress made in addressing key business risks.

The charters of the Board and Audit, Risk Management and Compliance Committee each makes provision for the Chief Executive Officer and Chief Financial Officer to provide assurance as to whether material business risks are being managed effectively.

A copy of the Audit, Risk Management and Compliance Committee Charter is available on the company's website.

## Principle 8 – Remunerate fairly and responsibly

The Board has established a Human Resources, Nomination and Remuneration Committee. The Human Resources, Nomination and Remuneration Committee comprises three members, being Karen Gibson, Gail Pemberton and Connie Mckeage. Each of Karen Gibson and Gail Pemberton are Non-Executive Directors, both of whom are considered independent. The Human Resources, Nomination and Remuneration Committee is chaired by Karen Gibson, an independent Director.

The company distinguishes the structure of Non-Executive Director remuneration from that of Executive Directors and senior executives in this Annual Report.

A copy of the Human Resources, Nomination and Remuneration Committee Charter is available on the company's website.

## General information

The financial statements cover OneVue Holdings Limited as a consolidated entity consisting of OneVue Holdings Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is OneVue Holdings Limited's functional and presentation currency.

OneVue Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Level 5, 10 Spring Street Sydney NSW 2000	Level 5, 10 Spring Street Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.



# Financial Statements

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

		Consolidated	
		30 June 2014	30 June 2013
		\$	\$
	Note		
<b>Revenue</b>	4	13,201,715	4,966,349
Other Income	6	479,487	-
Administration expenses		(4,029,631)	(1,694,601)
Depreciation and amortisation expense		(1,343,949)	(457,320)
Employee benefits expense		(9,824,314)	(2,454,790)
Impairment expense		-	(1,476,336)
Interest expense		(72,521)	-
Investment management expense		(1,982,326)	(544,650)
Net fair value expense on loans		(241,665)	-
Occupancy costs		(1,213,029)	(429,120)
Other expenses		(1,028,775)	(345,916)
Loss on disposal of investment		(630)	(9,323)
Total expenses	7	(19,736,840)	(7,412,056)
(Loss) before income tax		<b>(6,055,638)</b>	<b>(2,445,707)</b>
Research and development income tax received	8	818,731	731,327
(Loss) after income tax for the year		<b>(5,236,907)</b>	<b>(1,714,380)</b>
Other comprehensive income net of tax		-	-
Total comprehensive income/(loss) for the year attributable to the owners of OneVue Holdings Limited		<b>(5,236,907)</b>	<b>(1,714,380)</b>
		Cents	Cents
Basic earnings per share	42	(5.29)	(2.29)
Diluted earnings per share	42	(5.29)	(2.29)

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2014**

		<b>Consolidated</b>	
		<b>30 June 2014</b>	<b>30 June 2013</b>
	Note	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	9	1,748,829	521,135
Trade and other receivables	10	1,867,179	505,234
Financial assets at fair value through profit or loss	11	251,914	234,287
Other assets	12	981,960	53,639
<b>TOTAL CURRENT ASSETS</b>		4,849,882	1,314,295
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	16	1,258,335	-
Property, plant and equipment	14	1,073,457	49,251
Intangible assets	15	6,375,230	2,642,024
Investment in associate (accounted for using equity method)	13	18,705	20,276
<b>TOTAL NON-CURRENT ASSETS</b>		8,725,727	2,711,551
<b>TOTAL ASSETS</b>		13,575,609	4,025,846
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	2,520,055	576,979
Other financial liabilities	20	1,560,000	-
Financial liabilities	18	706,250	-
Employee benefits	19	980,936	369,066
<b>TOTAL CURRENT LIABILITIES</b>		5,767,241	946,045
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities	21	637,500	-
Employee benefits	22	385,588	85,971
Other payables	23	758,543	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		1,781,631	85,971
<b>TOTAL LIABILITIES</b>		7,548,872	1,032,016
<b>NET ASSETS</b>		6,026,737	2,993,830
<b>EQUITY</b>			
Contributed equity	24	27,509,548	19,824,759
Reserves	25	585,026	492,085
Accumulated losses	26	(22,067,837)	(17,323,014)
<b>TOTAL EQUITY</b>		6,026,737	2,993,830

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2014**

	<b>Issued Capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Total Equity \$</b>
Consolidated Balance at 1 July 2012	19,437,987	492,085	(15,608,634)	4,321,438
Loss after income tax for the year	-	-	(1,714,380)	(1,714,380)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income (loss) for the year	-	-	(1,714,380)	(1,714,380)
<i>Transactions with owners in their capacity as owners:</i>				
Contribution of equity, net of transactions costs	386,772	-	-	386,772
Balance at 30 June 2013	<u>19,824,759</u>	<u>492,085</u>	<u>(17,323,014)</u>	<u>2,993,830</u>

	<b>Issued Capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Total Equity \$</b>
Consolidated Balance at 1 July 2013	19,824,759	492,085	(17,323,014)	2,993,830
Loss after income tax for the year	-	-	(5,236,907)	(5,236,908)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income (loss) for the year	-	-	(5,236,907)	(5,236,908)
Transfer of reserve to accumulated losses	-	(492,085)	492,085	-
Share based payments expense	-	420,026	-	420,026
Reserves relating to the convertible note issued on acquisition of business	-	165,000	-	165,000
<i>Transactions with owners in their capacity as owners:</i>				
Contribution of equity, net of transactions costs	7,684,789	-	-	7,684,789
Balance at 30 June 2014	<u>27,509,548</u>	<u>585,026</u>	<u>(22,067,837)</u>	<u>6,026,737</u>

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2014**

		<b>Consolidated</b>	
		<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (Inclusive of GST)		13,478,068	4,483,383
GST rebates recovered from schemes		434,069	347,160
Interest received		163,891	31,137
Payments to suppliers and employees (Inclusive of GST)		(16,966,886)	(5,371,814)
Research and development income tax received		818,731	731,327
<b>Net cash provided by /(used) in operating activities</b>	<b>40</b>	<b>(2,072,127)</b>	<b>221,193</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(257,572)	(16,550)
Payments for intangible assets		(1,383,281)	(1,393,594)
Receipt from financial assets redemption		120,000	-
Loans to other parties		(500,000)	-
Payment for purchase of businesses	36	(1,798,919)	-
Payment for other investments		(4,429)	(1,000)
<b>Net cash used in investing activities</b>		<b>(3,824,201)</b>	<b>(1,411,144)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issue	24	7,684,789	386,772
<b>Net cash provided by financing activities</b>		<b>7,684,789</b>	<b>386,772</b>
Net increase/(decrease) in cash and cash equivalents		1,788,461	(803,179)
Cash and cash equivalents at the beginning of the year		521,135	1,324,314
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>2,309,596</b>	<b>521,135</b>

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

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

### **Note 1. Summary of significant accounting policies**

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

#### *Basis of preparation*

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

#### *First time adoption of Australian Accounting Standards*

These financial statements form the first Australian-Accounting Standards financial statements prepared by OneVue Holdings Limited, as the prior period financial statements did not include an explicit and unreserved statement that they complied with Australian Accounting Standards or International Financial Reporting Standards. The prior period financial statements were determined to be special purpose financial statements as they were prepared as a private company for the shareholders at the time. The prior period financial statements were prepared in full conformity with the measurement and recognition criteria of the Australian Accounting Standards and International Financial Reporting Standards as such, the numbers within the financial statements have not changed as a result of adopting these Standards (only certain disclosures have changed), therefore the reconciliations prescribed by AASB 1 are not presented in these financial statements.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and derivative financial instruments.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Those areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

### **New, revised or amending Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

#### *AASB 10 Consolidated Financial Statements*

The consolidated entity has applied AASB 10 from 1 July 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

#### *AASB 12 Disclosure of Interests in Other Entities*

The consolidated entity has applied AASB 12 from 1 July 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'.

#### *AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13*

The consolidated entity has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

#### *AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)*

The consolidated entity has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

#### *AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*

The consolidated entity has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities.

#### *AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments*

The consolidated entity has applied AASB 2012-10 amendments from 1 July 2013, which amends AASB 10 and related standards for the transition guidance relevant to the initial application of those standards. The amendments clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.

#### *AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement*

The consolidated entity has applied 2011-4 from 1 July 2013, which amends AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No.1) now specify the KMP disclosure requirements to be included within the directors' report.

### Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 35.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

#### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of OneVue Holdings Limited ('parent entity') as at 30 June 2014 and the results of all subsidiaries for the year ended 30 June 2014. OneVue Holdings Limited and its subsidiaries are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

A list of controlled entities is contained in note 37 to the financial statements.

#### Operating segments

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information is provided using different measures to those used in preparing the statement of profit and loss and other comprehensive income and statement of financial position. Refer to note 3.

#### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in the normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### Business combinations and goodwill

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method.

The acquisition method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control. Acquisition related costs are expensed as incurred. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss.

Goodwill is not amortised but is tested for impairment annually and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

### Revenue Recognition

#### *Rendering of services*

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

#### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

### Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

OneVue Holdings Limited and its wholly-owned Australian controlled entities have formed an income tax consolidated group under the tax consolidation regime. The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Currently, the consolidated entity has not recognised a deferred tax asset for temporary differences or carry forward losses as the consolidated entity is currently in a loss making position.

#### *Research and Development Tax Incentive*

The consolidated entity capitalises certain development expenses which can also give rise to a research and development tax incentive. The consolidated entity accounts for the research and development tax incentive as a tax credit, which means that the incentive reduces income tax payable and current tax expense.

The consolidated entity accounts for tax offset when it is clear that the eligibility criteria are met and the amount that can be claimed is reliably calculated. As such, the consolidated entity accounts for the rebate once the annual tax returns lodged and notice of assessment is received.

### **Employee benefits**

#### *Wages, salaries and annual leave*

Liabilities for wages and salaries and annual leave are recognised, and are measured as at the amounts expected to be paid when the liabilities are settled including on-costs.

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits expected to be settled wholly within 12 months after the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable.

#### *Other long-term employee benefits*

Liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the reporting period. They are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of when settlement is expected to occur, liabilities for long service leave and annual leave are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Related on-costs have also been included in the liability.

### **Impairment**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

#### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts.

#### Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 14 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost less provision for impairment.

#### Financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

#### *Fair value through profit or loss*

The consolidated entity has assessed its investments held in OneVue Managed Account at fair value through profit or loss and these investments are held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit. These investments primarily comprise of holdings in ASX listed equities.

Regular purchases and sales of investments are recognised on trade date. The date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Subsequent movements in the fair value of financial assets are recognised in the statement of profit or loss and other comprehensive income.

#### *Loans and receivables*

Loan and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those with maturities greater than twelve months after the reporting period which are classified in non-current assets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

#### Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant, equipment, furniture, fittings, leasehold improvements – 3 to 5 years.

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

#### Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

#### *Lease Incentives*

The benefit of a contribution of a lessor to the fit out of a property is recognised as a lease incentive and classified as a liability. The respective fit out costs are recognised as an asset. The asset is depreciated on a straight line basis over the lease term; and the corresponding lease incentive is also amortised on a straight line over the term of the lease.

#### Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

#### *Intangible assets with an indefinite useful life*

A piece of software has been assessed as having an indefinite useful life. The software is core to the operation and has a useful life that cannot be reasonably estimated. The carrying value of the asset is tested for impairment on an annual basis.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

#### *Research and development*

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of between 5 to 7 years.

#### *Customer contracts*

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which is considered to be between 3 and 5 years.

#### *Software*

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

#### **Investments in associates**

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associates. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

#### **Trade and other payables**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Other payables not expected to be settled in the twelve months after reporting date are classified as non-current.

#### **Goods and services tax**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

### **Note 1. Summary of significant accounting policies (Cont'd)**

#### **Other financial liabilities**

Liabilities are recognised based on principal amounts borrowed. Interest is expensed as incurred.

Interest bearing liabilities are classified as current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### **Provisions**

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

#### **Share based payments**

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

#### Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either; in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

#### Contributed equity

Ordinary shares are classified as contributed equity.

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

#### Earnings per share

##### *Basic earnings per share*

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

##### *Diluted earnings per share*

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

#### Going concern

The financial report has been prepared on a going-concern basis. This contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business even though the Company has experienced operating losses after tax during the financial year ended 30 June 2014 of \$5,236,907 (2013: \$1,714,380) with accumulated losses amounting to \$22,067,837 as at 30 June 2014 and net current liabilities \$917,359 (2013: net current assets of \$368,250).

The consolidated entity has raised capital in the current and prior years from multiple sources for acquisition, regulatory capital requirements, and working capital purposes. In July 2014, OneVue Holdings Limited listed on the ASX raising further capital of \$14 million. Accordingly, the directors of the company are confident that preparing the consolidated entity's accounts on a going concern basis is appropriate.

#### New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

##### *AASB 9 Financial Instruments and its consequential amendments*

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

##### *AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities*

The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The impact of the adoption of the amendments is yet to be assessed by the consolidated entity. .

##### *AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets*

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2014 may increase the disclosures by the consolidated entity

##### *AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting*

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and amends AASB 139 'Financial Instruments: Recognition and Measurement' to permit continuation of hedge accounting in circumstances where a derivative (designated as hedging instrument) is novated from one counter party to a central counterparty as a consequence of laws or regulations. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 1. Summary of significant accounting policies (Cont'd)

#### *AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities*

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and allow entities that meet the definition of an 'investment entity' to account for their investments at fair value through profit or loss. An investment entity is not required to consolidate investments in entities it controls, or apply AASB 3 'Business Combinations' when it obtains control of another entity, nor is it required to equity account or proportionately consolidate associates and joint ventures if it meets the criteria for exemption in the standard. The impact of the adoption of the amendments is yet to be assessed by the consolidated entity. .

#### *Annual Improvements to IFRSs 2010-2012 Cycle*

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The impact of the adoption of the amendments is yet to be assessed by the consolidated entity. .

#### *Annual Improvements to IFRSs 2011-2013 Cycle*

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The impact of the adoption of the amendments is yet to be assessed by the consolidated entity. .

#### *IFRS 15 Revenue from contracts with customers*

An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means *that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue*.

### Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the full year financial statements requires management to make judgement, estimates and assumptions that affect the reported amounts in the half year financial statements. Management continually evaluates its judgement and estimates in relation to assets, liabilities, contingent liabilities revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on various other factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities with the next financial year are discussed below:



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Note 2. Critical accounting judgements, estimates and assumptions (Cont'd)

#### *Capitalisation of development costs*

The consolidated entity capitalises project development costs eligible for capitalisation. The capitalised costs are all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended. The consolidated entity amortises the capitalised project costs over the project's useful life.

#### *Provision for impairment of receivables*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position.

#### *Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions.

#### *Long service leave provision*

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### *Share-based payment transactions*

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

#### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

### Note 3. Operating segments

#### *Identification of reportable operating segments*

The consolidated entity is organised into two operating segments: Fund Services and Platform Services. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The Board also uses EBITDA (earnings before interest, tax, depreciation and amortisation) as a principal profit measure. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**Note 3. Operating segments (Cont'd)**

The information reported to the CODM is on at least a monthly basis.

*Types of services*

*The principal services of each of these operating segments are as follows:*

Fund Services	Outsourced unit registry services and installed software to a range of investment management custodians and trustees
Platform Services	Provides an investment platform for investment administration, tax and reporting services for both superannuation and other investments. Within Platform Services, OneVue also offers a retail superannuation fund and specialist SMSF compliance and administration services.

*Intersegment transactions*

Intersegment transactions were made at market rates. The Head Office charges rent, senior management's time and other overheads to the operating segments. Intersegment transactions are eliminated on consolidation.

*Major customers*

During the year ended 30 June 2014 approximately 13% or \$1,724,882 of the consolidated entity's external revenue was derived from services provided to a financial services firm through the Platform Services operating segment. During the same period approximately 13% or \$1,668,061 of the consolidated entity's external revenue was derived from services provided to a financial services firm through the Fund Services operating segment.

*Intersegment receivables, payables and loans*

Intersegment loans are initially recognised at the consideration received. Intersegment loans are eliminated on consolidation.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Operating segment information

#### Segment reporting

	Fund Services	Platform Services	Total
	\$	\$	\$
<b>Consolidated - 2014</b>			
<b>Revenue</b>	5,827,571	7,346,986	13,174,557
Gain /(Loss) on disposal of investment		(630)	(630)
Gain on acquisition			
Other income	914	472,218	473,131
Total segment revenue	5,828,484	7,818,574	13,647,058
Other revenue			
Corporate			33,514
Total other revenue			33,514
<b>Total revenue</b>			13,680,572
Investment management expenses	747,524	1,234,802	1,982,326
Employment benefits expense	4,486,681	3,888,987	8,375,668
Property and occupancy costs	637,044	449,015	1,086,059
Depreciation, amortisation and impairment expenses	466,600	849,180	1,315,780
Administration expenses	1,111,635	1,980,202	3,091,837
Interest expense	72,521	0	72,521
Net fair value adjustment on loans	0	241,665	241,665
Intersegment charges charge	0	0	0
Other expenses	240,998	181,196	422,194
Total segment expenses	7,763,002	8,825,047	16,588,050
Corporate			3,148,160
Total other expenses			3,148,160
<b>Total expenses</b>			19,736,210
Reconciliation of segment result to group net profit/loss before tax			
Segment net profit/(loss) before tax	(1,934,518)	(1,006,474)	(2,940,992)
Corporate			(3,114,646)
Net loss before tax			(6,055,638)
Research and development income tax received			818,731
Total profit/(loss) after tax			(5,236,907)
Finance costs			
Corporate			
Inter-segment elimination			
Total finance costs			
Depreciation and amortisation expense	466,600	849,180	1,315,780
Corporate			28,169
Total depreciation and amortisation expense			1,343,949
<b>Segment assets</b>			
	Fund Services	Platform Services	Total
	\$	\$	\$
<b>30 June 2014</b>			
Segment assets	5,563,131	7,712,676	13,275,807
Corporate			299,801
<b>Total group assets</b>			13,575,609
<b>Segment liabilities</b>			
	Fund Services	Platform Services	Total
<b>30 June 2014</b>			
Segment liabilities	3,000,424	3,985,306	6,985,730
Corporate			563,142
<b>Total group liabilities</b>			7,548,872

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### Segment reporting

	Fund Services \$	Platform Services \$	Total \$
<b>Consolidated - 2013</b>			
<b>Revenue</b>	742,804	4,223,545	4,966,349
Gain /(Loss) on disposal of investment		(9,323)	(9,323)
Gain on acquisition			0
Other income			0
Total segment revenue	742,804	4,214,222	4,957,026
Other revenue			
Corporate			0
Total other revenue			0
<b>Total revenue</b>			4,957,026
Investment management expenses	81,462	463,188	544,650
Employment benefits expense	367,157	2,087,633	2,454,790
Property and occupancy costs	64,182	364,938	429,120
Depreciation, amortisation and impairment expenses	289,212	1,644,444	1,933,656
Administration expenses	253,457	1,441,144	1,694,601
Interest expense	0	0	0
Net fair value adjustment on loans	0	0	0
Intersegment charges charge	0	0	0
Other expenses	51,738	294,178	345,916
Total segment expenses	1,107,207	6,295,526	7,402,733
Corporate			0
Total other expenses			0
<b>Total expenses</b>			7,402,733
Reconciliation of segment result to group net profit/loss before tax			
Segment net profit/(loss) before tax	(364,404)	(2,081,303)	(2,445,707)
Corporate			0
Net loss before tax			(2,445,707)
Research and development income tax received			731,327
Total profit/(loss) after tax			(1,714,380)
Finance costs			
Corporate			
Inter-segment elimination			
Total finance costs			
Depreciation and amortisation expense	64,182	364,938	429,120
Corporate			0
Total depreciation and amortisation expense			429,120
<b>Segment assets</b>			
<b>30 June 2013</b>			
Segment assets	97,276	3,928,570	4,025,846
Corporate			0
<b>Total group assets</b>			4,025,846
<b>Segment liabilities</b>			
<b>30 June 2013</b>			
Segment liabilities	19,118	1,012,898	1,032,016
Corporate			0
<b>Total group liabilities</b>			1,032,016

### Note 3. Operating segments (Cont'd)

#### Geographical information

OneVue Holdings business is based entirely in Australia.

### Note 4. Revenue

	Consolidated	
	2014	2013
	\$	\$
<i>Rendering of services</i>		
Rendering of services	12,982,577	4,940,104
	<u>12,982,577</u>	<u>4,940,104</u>
<i>Other revenue</i>		
Interest	201,850	26,245
Dividend revenue	17,288	-
	<u>219,138</u>	<u>26,245</u>
Revenue	<u><u>13,201,715</u></u>	<u><u>4,966,349</u></u>

### Note 5. Share of profits of associates accounted for using the equity method

	Consolidated	
	2014	2013
	\$	\$
Share of profit - associates	<u>-</u>	<u>-</u>

### Note 6. Other income

	Consolidated	
	2014	2013
	\$	\$
Gain on acquisition (Note 36)	470,163	-
Sundry income	9,324	-
Other income	<u><u>479,487</u></u>	<u><u>-</u></u>

### Note 7. Expenses

	Consolidated	
	2014	2013
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Investment management expenses</i>		
Investment management expenses	<u>1,982,326</u>	<u>544,650</u>
<i>Depreciation</i>		
Property, plant and equipment	107,084	69,706
Fit out costs	107,997	-
Total depreciation (Note 14)	<u><u>215,081</u></u>	<u><u>69,706</u></u>

**Note 7. Expenses (Cont'd)**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<i>Amortisation</i>		
Computer software	46,046	29,976
Project development	513,860	233,247
Client contracts	568,962	124,393
Total amortisation (Note 15)	1,128,868	387,616
Total depreciation and amortisation	1,343,949	457,320
<i>Impairment</i>		
Intangible assets (Note 15)	-	1,476,336
<i>Finance costs</i>		
Interest and finance charges paid/payable	72,521	-
Finance costs expensed	72,521	-
<i>Net fair value loss</i>		
Net fair value expense on loans	241,665	-
<i>Rental expense</i>		
Minimum lease repayments made in period	1,213,029	429,120
<i>Superannuation expense</i>		
Superannuation expense	729,195	310,668
<i>Share-based payments expense</i>		
Share-based payments expense	472,426	-
<i>IT costs</i>		
IT costs	1,232,136	410,174

## Note 8. Income tax

	Consolidated	
	2014	2013
	\$	\$
<i>Income tax benefit</i>		
Income tax revenue from research and development claim	818,731	731,327
Aggregate income tax benefit	<u>818,731</u>	<u>731,327</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(6,055,638)	(2,445,707)
Tax at the statutory tax rate of 30%	(1,816,691)	(733,712)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment expense	-	442,901
Amortisation expense – Project costs	154,158	69,974
Amortisation expense – Customer contracts	170,689	37,318
Non-deductible legal fees	148,256	12,133
Other non-deductible expenses	-	1,956
Share based payments	141,728	-
Gain on acquisition	(138,222)	-
Non assessable income	(39,488)	-
Loss on disposal of shares	189	2,797
R&D rebate	(818,731)	(731,327)
Tax losses carried forward not recognised	1,379,381	166,633
	(818,731)	(731,327)
Under/(over) provision in prior periods	-	-
Income tax expense (benefit)	<u>(818,731)</u>	<u>(731,327)</u>

The consolidated entity has a franking account balance of \$731,309 (2013:\$21,252).

The consolidated entity has not recognised any deferred tax assets in the current year as they do not meet the recognition criteria per the consolidated entity's accounting policies.

Total of timing differences not brought to account in the current year is \$2,064,446 (2013: \$660,592).

The amount of unrecognised losses as at year end were \$12,721,613 (2013: \$10,595,575).



**Note 9. Current assets - cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	1,748,829	348,247
Cash on deposit	-	172,888
	<u>1,748,829</u>	<u>521,135</u>

*Reconciliation to cash and cash equivalents at the end of the financial year*

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	1,748,829	521,135
Other asset – term deposit – note 12	560,767	-
	<u>2,309,596</u>	<u>521,135</u>

**Note 10. Current assets - trade and other receivables**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	976,327	196,039
Less: Provision for impairment of receivables	-	-
	<u>976,327</u>	<u>196,039</u>
Accrued income	855,619	306,379
Other receivables	35,233	2,816
	<u>1,867,179</u>	<u>505,234</u>

*Impairment of receivables*

The consolidated entity has not impaired any receivables for the year ended 30 June 2014 (2013: Nil).

*Past due but not impaired*

Customers with balances past due but without provision for impairment of receivables amount to \$586,839 as at 30 June 2014 (Nil as at 30 June 2013).

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
0 to 3 months overdue	519,681	-
3 to 6 months overdue	67,158	-
Over 6 months overdue	-	-
	<u>586,839</u>	<u>-</u>

**Note 11. Current assets - financial assets at fair value through profit or loss**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Listed ordinary shares - held for trading	251,914	234,287
	<u>251,914</u>	<u>234,287</u>

**Reconciliation**

Reconciliation of the fair values at the beginning and end of the current financial year are set out below:

Opening fair value	234,287	169,276
Additions	6,000	-
Revaluation increments	131,627	65,011
Redemption	(120,000)	-
	<u>251,914</u>	<u>234,287</u>

Refer to note 28 for further information on fair value measurement.

**Note 12. Current assets - other**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Term deposits	560,767	-
Prepayments – related to IPO	102,784	-
Prepayments – Other	318,409	53,639
	<u>981,960</u>	<u>53,639</u>

**Note 13. Non-current assets - investments accounted for using the equity method**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Investment in associate	18,705	20,276

Refer to note 38 for further information on investments in associates.

**Note 14. Non-current assets - property, plant and equipment**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Office equipment and furniture - at cost	1,133,324	494,510
Less: Accumulated depreciation	(802,343)	(445,259)
	<u>330,981</u>	<u>49,251</u>
Fit out costs - at cost	850,473	-
Less: Accumulated depreciation	(107,997)	-
	<u>742,476</u>	<u>-</u>
	<u><u>1,073,457</u></u>	<u><u>49,251</u></u>

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Office equipment and furniture	Fit out costs	Total
<b>Consolidated</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2012	102,407	-	102,407
Additions	16,550	-	16,550
Depreciation expense	<u>(69,706)</u>	<u>-</u>	<u>(69,706)</u>
Balance at 30 June 2013	49,251	-	49,251
Additions	257,572	850,473	1,108,045
Additions from acquisitions	131,242	-	131,242
Disposals	-	-	-
Depreciation expense	<u>(107,084)</u>	<u>(107,997)</u>	<u>(215,081)</u>
Balance at 30 June 2014	<u><u>330,981</u></u>	<u><u>742,476</u></u>	<u><u>1,073,457</u></u>

## Note 15. Non-current assets - intangibles

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Computer software - at cost	3,104,078	4,177,747
Less: Accumulated amortisation	(2,642,681)	(2,594,840)
Less: Impairment	-	(1,476,336)
	<u>461,397</u>	<u>106,571</u>
Project Development - at cost	3,937,200	2,582,109
Less: Accumulated amortisation	(739,882)	(233,247)
	<u>3,197,318</u>	<u>2,348,862</u>
Customer contracts - at cost	3,720,853	621,967
Less: Accumulated amortisation	(1,004,338)	(435,376)
	<u>2,716,515</u>	<u>186,591</u>
	<u><u>6,375,230</u></u>	<u><u>2,642,024</u></u>

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Computer software \$</b>	<b>Project development \$</b>	<b>Customer contracts \$</b>	<b>Total \$</b>
Balance at 1 July 2012	1,587,370	1,214,027	310,984	3,112,381
Additions	25,513	1,368,082	-	1,393,595
Impairment	(1,476,336)	-	-	(1,476,336)
Amortisation expense	(29,976)	(233,247)	(124,393)	(387,616)
Balance at 30 June 2013	106,571	2,348,862	186,591	2,642,024
Additions	23,112	1,362,316	-	1,385,428
Additions from acquisitions	377,760	-	3,098,886	3,476,646
Impairment of assets	-	-	-	-
Amortisation expense	(46,046)	(513,860)	(568,962)	(1,128,868)
Balance at 30 June 2014	<u>461,397</u>	<u>3,197,318</u>	<u>2,716,515</u>	<u>6,375,230</u>

An impairment of \$1,476,336 was booked to computer software in the year ended 30 June 2013. This related to computer software that was no longer generating revenue.

**Note 16. Non-current assets – trade and other receivables**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Interest free loan	1,258,335	-
	<u>1,258,335</u>	<u>-</u>

This loan is secured by second ranking charge over the Super Managers Australia Pty Ltd (SMA Group). The repayment date is the earlier of the call and put option expiry date with SMA; and the Right Of First Refusal expiry date. This is expected to be 2 year and 4 months from when the first tranche was issued in May 2014.

**Reconciliation**

Reconciliation of the fair values at the beginning and end of the current financial year are set out below:

Opening fair value	-	-
Additions	1,249,384	-
Revaluation increments	8,951	-
Closing fair value	<u>1,258,335</u>	<u>-</u>

Refer to note 28 for further information on fair value measurement.

**Note 17. Current liabilities - trade and other payables**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Trade payables	462,553	92,639
Lease incentive liability	211,686	-
Accrued expenses and other payables	1,845,816	484,340
	<u>2,520,055</u>	<u>576,979</u>

Refer to note 23 for further information on lease incentives.

Refer to note 27 for further information on financial instruments.

## Note 18. Current liabilities - financial liabilities

	Consolidated	
	2014	2013
	\$	\$
Convertible note	706,250	-

On 2 September 2013 as part of the CFS acquisition (note 40), the consolidated entity issued 1,440 convertible notes, with an issue price of \$1,000 each, for total proceeds of \$1,440,000. The convertible note does not bear interest. The notes are redeemable at the discretion of the noteholder. In the event that 720 convertible notes are not redeemed or converted into shares on or before 2 September 2014, OneVue will pay the noteholder \$720,000 to redeem 720 Convertible Notes on the First Redemption Date. In the event that there are any Convertible notes that have not been redeemed or converted into shares on or before 2 September 2015, OneVue will pay the noteholder \$1,000 each convertible note to redeem all of the convertible notes that remain on issue.

The convertible notes are a compound financial instrument with a liability and equity component. The liability component is first calculated at fair value being the present value of the future cash flows. The resulting NPV is deducted from the undiscounted value of \$1,440,000 to give the equity component. Assuming that OneVue would repay the loan at the latest possible date after completion ie. \$720,000 after 12 months and \$720,000 after 24 months, and applying a discount rate of 8.5%pa, the fair value of the liability is \$1,275,000.

Subsequent to year end the noteholder requested that the convertible notes in the first tranche be settled in cash. \$720,000 was paid to the noteholder on 2 September 2014.

Refer to note 27 for further information on financial instruments.

Refer to note 28 for further information on fair value measurement.

## Note 19. Current liabilities - employee benefits

	Consolidated	
	2014	2013
	\$	\$
Employee benefits	980,936	369,066

### *Amounts not expected to be settled within the next 12 months*

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

### *Movement in annual leave summary*

	Consolidated	
	2014	2013
	\$	\$
Opening balance	369,066	318,290
Leave on acquisition	452,719	-
Leave accrued	780,571	273,200
Leave taken	(621,420)	(222,424)
Closing balance	980,936	369,066



**Note 19. Current liabilities - employee benefits (Cont'd)**

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Employee benefits obligation expected to be settled after 12 months	359,516	159,518

**Note 20. Current liabilities – other financial liabilities**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Loan payable	1,000,000	-
Transaction settlement outstanding	560,000	-
	<u>1,560,000</u>	<u>-</u>

OneVue Holdings provided an interest free loan to Super Managers Australia Pty Ltd for the amount of \$1.5 million during the year ended 30 June 2014. This loan was recognised in full in the statement of financial position at 30 June 2014, however \$0.5 million was advanced prior to year end with the remaining \$1.0 million advanced after June 2014. The period of the loan is expected to be 2 years and 4 months.

OneVue Holdings paid a total of \$1.0 million cash over three instalments as part of the CFS acquisition during the year. The final instalment of \$0.56 million was paid in September 2014.

**Note 21. Non-current liabilities – financial liabilities**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Convertible note	637,500	-

This relates to the non-current portion of convertible notes that were issued as part of the CFS acquisition (note 18).

**Note 22. Non-current liabilities - employee benefits**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Employee benefits	385,588	85,971

*Movement in long service leave summary*

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Opening balance	85,971	112,479
Leave on acquisition	288,286	-
Leave accrued	11,331	(26,508)
Leave taken	-	-
Closing balance	<u>385,588</u>	<u>85,971</u>

## Note 23. Non-current liabilities – other payables

	Consolidated 2014 \$	2013 \$
Lease incentive liability	758,543	-

### *Lease incentive liability*

The liability represents the present value of the estimated benefit received as part of leasing the Sydney office. This benefit includes an initial rent free period and the contribution towards the fit out costs received from the lessor.

## Note 24. Equity - issued capital

	2014 Shares	Consolidated 2013 Shares	2014 \$	2013 \$
Ordinary shares - fully paid	113,923,929	76,413,279	27,509,548	19,824,759

### *Movements in ordinary share capital*

Details	Date	No of shares	Issue price	\$
Balance	1 July 2012	75,124,038		19,437,987
Issue of shares	30 June 2013	1,289,241	\$0.30	386,772
Balance	30 June 2013	76,413,279		19,824,759
Issue of shares	31 August 2013	4,503,817	\$0.26	1,167,381
Issue of shares	18 November 2013	21,183,206	\$0.26	5,550,000
Issue of shares	30 November 2013	3,964,010	\$0.26	1,038,571
Issue of shares employee share scheme	20 December 2013	200,000	\$0.26	52,400
Issue of shares	31 December 2013	893,324	\$0.26	234,051
Share issue transaction costs, net of tax				(357,614)
Issue of shares on the exercise of options	21 May 2014	6,766,293		-
Balance	30 June 2014	113,923,929		27,509,548

### *Ordinary shares*

Ordinary shares entitle holders to receive dividends payable to ordinary shareholders and the right to vote on matters of corporate policy and the composition of the members of the board of directors. The fully paid ordinary shares have no par value and the company does not have a limited amount of share capital.

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

### *Share buy-back*

There is no current on-market share buy-back.

### *Capital risk management*

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

**Note 25. Equity - reserves**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Share based payments reserve	420,026	-
Gain on OneVue Limited acquisition	-	492,085
Reserves relating to convertible note on acquisition of business	165,000	-
	<u>585,026</u>	<u>492,085</u>

*Share based payments reserve*

The share based payments reserve records the fair value of options issued.

*Reserves relating to convertible note on acquisition of business*

The loan note reserve records the fair value of the loan notes issued.

*Movements in reserves*

Movements in each class of reserve during the current and previous financial year are set out below:

	Share based Payment reserve	Gain on acquisition	Reserve relating to Convertible note on acquisition	Total
<b>Consolidated</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2012	-	492,085	-	492,085
Loan notes	-	-	-	-
Options issued	-	-	-	-
Transfer of reserves	-	-	-	-
Balance at 30 June 2013	-	492,085	-	492,085
Loan notes issued	-	-	165,000	165,000
Options issued	420,026	-	-	420,026
Transfer of reserves	-	(492,085)	-	(492,085)
Balance at 30 June 2014	<u>420,026</u>	<u>-</u>	<u>165,000</u>	<u>585,026</u>

**Note 26. Equity – accumulated losses**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Accumulated losses at the beginning of the financial year	(17,323,014)	(15,608,634)
Loss after income tax for the year	(5,236,907)	(1,714,380)
Transfer from reserves	492,085	-
Accumulated losses at the end of the financial year	<u>(22,067,836)</u>	<u>(17,323,014)</u>

## Note 26. Equity – accumulated losses (Cont'd)

### Franking credits

	Consolidated	
	2014	2013
	\$'000	\$'000
Franking credits available for subsequent financial years based on a tax rate of 30%	731,309	10,547

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

## Note 27. Financial instruments

### Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

The Group's Audit, Risk Management and Compliance Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

### Market risk

#### Foreign currency risk

The consolidated entity is not exposed to any significant foreign currency risk.

#### Price risk

The consolidated entity is exposed to equity securities price risk. This arises from investments held by the consolidated entity and classified on the statement of financial position at fair value through profit or loss. The consolidated entity is not exposed to commodity price risk.

#### Interest rate risk

The consolidated entity is not exposed to any significant interest rate risk.

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

**Note 27. Financial instruments (Cont.)****Liquidity risk**

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

**Financing arrangements**

The consolidated entity has no borrowing facilities.

**Remaining contractual maturities**

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2014</b>						
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade and other payables	-%	2,308,369	-	-	-	2,308,369
Other financial liabilities	-%	1,560,000	-	-	-	1,560,000
Total non-derivatives		<u>3,868,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,868,369</u>
<b>Derivatives</b>						
Convertible note	8.5%	<u>720,000</u>	<u>720,000</u>	<u>-</u>	<u>-</u>	<u>1,440,000</u>
Total derivatives		<u>720,000</u>	<u>720,000</u>	<u>-</u>	<u>-</u>	<u>1,440,000</u>

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2013</b>						
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade and other payables	-%	576,979	-	-	-	576,979
Total non-derivatives		<u>576,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>576,979</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

**Fair value of financial instruments**

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

## Note 28. Fair value measurement

### *Fair value hierarchy*

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Consolidated - 2014</b>				
<i>Assets</i>				
Interest free loan	-	1,258,335	-	1,258,335
Investment	251,914	-	-	251,914
Total assets	251,914	1,258,335	-	1,510,249
<i>Liabilities</i>				
Convertible notes	-	1,343,750	-	1,343,750
Total liabilities	-	1,343,750	-	1,343,750
<b>Consolidated - 2013</b>				
<i>Assets</i>				
Interest free loan	-	-	-	-
Investment	234,287	-	-	234,287
Total assets	234,287	-	-	234,287
<i>Liabilities</i>				
Convertible notes	-	-	-	-
Total liabilities	-	-	-	-

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

### *Valuation techniques for fair value measurements categorised within level 2.*

Unquoted investments have been valued using a discounted cash flow model.

**Note 29. Key management personnel disclosures***Compensation*

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	889,249	552,287
Post-employment benefits	68,717	44,070
Long-term benefits	64,791	17,744
Share-based payments	231,222	-
	<u>1,253,979</u>	<u>614,101</u>

**Note 30. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by BDO East Coast Partnership, the auditors of the company, and unrelated firms:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services – BDO East Coast Partnership</i>		
Audit or review of the financial statements	<u>233,450</u>	<u>90,700</u>
<i>Other services - BDO East Coast Partnership</i>		
IPO services	161,945	-
Audit of compliance plans	42,400	38,150
Taxation and other non-assurance services	109,576	59,671
	<u>313,921</u>	<u>97,821</u>
	<u>547,371</u>	<u>188,521</u>

**Note 31. Contingent assets**

OneVue Holdings Limited has no contingent assets as at 30 June 2014 (2013: \$Nil).

**Note 32. Contingent liabilities**

OneVue Holdings Limited has no contingent liabilities as at 30 June 2014 (2013: \$Nil).



### Note 33. Commitments

	Consolidated	
	2014	2013
	\$	\$
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,115,153	-
One to five years	2,407,411	-
More than five years	-	-
	<hr/>	<hr/>
	3,522,564	-

Operating lease commitments is made up of the Sydney, Melbourne and Brisbane office leases under non-cancellable operating leases expiring within 5 years with an option to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

### Note 34. Related party transactions

#### *Parent entity*

OneVue Holdings Limited is the parent entity.

#### *Subsidiaries*

Interests in subsidiaries are set out in note 37.

#### *Associates*

Interests in associates are set out in note 38.

#### *Key management personnel*

Disclosures relating to key management personnel are set out in note 29 and the remuneration report in the directors' report.

#### *Transactions with related parties*

There were no material transactions with related parties except for the guarantees disclosed below.

#### *Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

#### *Guarantees provided by related parties*

The Company is the beneficiary of four bank guarantees over assets held by a former Director who resigned on 13 May 2014, Nigel Stokes, existing substantial shareholder Abtourk (SYD No. 368) Pty Ltd and Michael John Cole (who controls Abtourk (SYD No. 368) Pty Ltd) in his personal capacity, whereby security over personal assets is provided as cover for guarantees to the value of \$2.5 million offered by IMB Building Society to cover regulatory capital requirements. There is an additional guarantee offered by IMB Building Society for \$100,000 as part of the lease of the Melbourne Office. No financial benefit was provided by the Company for the four bank guarantees. Michael Cole is the husband of Connie Mckeage.

A letter of financial support was provided by MAP FM to MAP FP in April 2011 and is still in effect. This letter sets out a commercial arrangement between MAP FM and MAP FP to ensure it is able to meet its AFSL conditions. Under this arrangement MAP FM will not charge MAP FP if the charge would result in MAP FP breaching its licence conditions.

**Note 35. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax	115,858	21,383
Total comprehensive income	115,858	21,383

*Statement of financial position*

	<b>Parent</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Total current assets	1,493,703	309
Total assets	31,773,240	20,303,194
Total current liabilities	180,627	-
Total liabilities	3,084,377	-
Equity		
Issued capital	27,509,545	19,824,760
Options reserve	420,026	-
Convertible notes	165,000	-
Gain on acquisition reserve	-	492,085
Retained profits	594,292	(13,651)
Total equity	28,688,863	20,303,194

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

OVH has agreed to reimburse MAP for the difference between MAP's expenses and the administration fees recovered by MAP due to the revised fee structure post acquisition.

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2014 and 30 June 2013.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment at as 30 June 2014 and 30 June 2013.

*Significant accounting policies*

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- The parent entity's investments in subsidiaries are accounted for at cost, less any impairment.
- The parent entity's investments in associates are accounted for at cost, less any impairment.

## Note 36. Business combinations

### CFS Acquisition

On 2 September 2013, OneVue Holdings Limited, acquired 100% of the ordinary shares of Computershare Fund Services Pty Ltd (now OneVue Fund Services Pty Limited) for the total consideration of \$4,694,331. The company acquired was an outsourced unit registry and installed software business. This was made up of cash consideration of \$3,254,331 and convertible notes of \$1,440,000. OneVue acquired CFS as it provided the Company with more scale in fund services and an entry point into outsourced unit registry. This acquisition sits within the Fund Services segment. This acquisition added revenue of \$5,050,636 for the financial year and made a loss of \$2,496,641 for the group. If the acquisition occurred on 1 July 2013 the full year contributions would have been revenues of \$5,695,218 and profit before tax of \$189,445. . The fair value of the acquired receivables was the same as the contractual value as they were fully recovered.

Details of the assets and liabilities are as follows:

	Fair value \$
Cash and cash equivalents	685,833
Trade receivables	800,408
Accrued revenue	831,990
Other assets	1,941
Intangible assets – software	362,806
Tax asset	139,674
Investment products	6,000
Intangible assets -Client contracts	2,409,530
Trade payables	(78,273)
Annual leave	(262,511)
Employee benefits	(203,067)
Net assets acquired	4,694,331
Goodwill	-
Acquisition-date fair value of the total consideration transferred	<u>4,694,331</u>
Representing:	
Convertible notes	1,440,000
Cash paid or payable to vendor	<u>3,254,331</u>
Acquisition costs expensed to profit or loss	<u>119,550</u>

	Consolidated 2014 \$	2013 \$
Cash used to acquire business, net of cash acquired:		
Acquisition-date fair value of the total consideration transferred	4,694,331	-
Less: cash and cash equivalents	(685,833)	-
Less: convertible notes unpaid	(1,440,000)	-
Less: Deferred consideration	(560,000)	-
Net cash used	<u>2,008,498</u>	<u>-</u>

**Note 36. Business combinations (Cont'd)****MAP Funds Management Ltd - Provisional**

On 24 February 2014, OneVue Holdings Limited, acquired 100% of the ordinary shares of MAP Funds Management and its subsidiary MAP Financial Planning for the total consideration of \$53,698. MAP was acquired for its role as a superannuation trustee business. The acquisition of MAP provides a revenue stream from existing business and allows OneVue to grow with existing and new platform services clients. This acquisition sits within the Platform Services segment.

The acquired business contributed revenues of \$1,768,730 and profit of \$146,582 to the consolidated entity for the period from 24 February 2014 to 30 June 2014. If the acquisition occurred on 1 July 2013 the full year contributions would have been revenues of \$4,979,470 and profit before tax of \$146,053. OneVue holdings also made a gain on acquisition of \$470,163 on the transaction this is because OneVue paid consideration of less than the value of the net assets of MAP, which has been recorded as other income (note 6). As part of the MAP agreement, OneVue is committed to reducing the administration fees to members of the MAP superannuation plan. The fair value of the acquired receivables was the same as the contractual value as they were fully recovered.

Details of the assets and liabilities are as follows:

	<b>Fair value \$</b>
Cash and cash equivalents	819,962
Trade receivables	59,919
Accrued revenue	291,603
Other assets	194,562
Intangible assets - software	14,954
Fixed assets	149,790
Trade payables	(758,864)
Employee benefits	(248,065)
	<hr/>
Net assets acquired	523,861
Goodwill	-
	<hr/>
Acquisition-date fair value of the total consideration transferred	<u>53,698</u>
	<hr/>
Gain on acquisition	470,163
Representing:	
Legal fees reimbursed	53,688
Cash paid or payable to vendor	10
	<hr/>
Acquisition costs expensed to profit or loss	<u>71,343</u>

	<b>Consolidated 2014 \$</b>	<b>2013 \$</b>
Cash used to acquire business, net of cash acquired:		
Acquisition-date fair value of the total consideration transferred	53,698	-
Less: cash and cash equivalents	(819,962)	-
Less: payments made in prior periods	-	-
	<hr/>	<hr/>
Net cash acquired	<u>(766,264)</u>	<u>-</u>

## Note 36. Business combinations (Cont'd)

### SMA Tax and SMSF Services Pty Ltd and business assets - Provisional

On 21 May 2014, OneVue Holdings Limited, acquired the assets of the SMSF business from Super Managers Australia Pty Limited for total cash consideration of \$556,684. This business purchase included net assets of \$7,002, and Client Contracts (intangibles) of \$549,682. 3 staff members were also transferred to the OneVue group as part of the acquisition. Also, on 21 May 2014, SMSF Managers Pty Ltd acquired 49% of the shares in SMA Tax and SMSF Services Pty Limited for \$59. The acquired company is dormant with no assets or liabilities. The business acquired is a self-managed super fund administration business including tax and audit services.

The acquisition complements the existing investment administration business of OneVue and extends OneVue's SMSF services in the areas of tax and audit. The business sits within OneVue's Platform Services segment. The fair value of the acquired receivables was the same as the contractual value as they were fully recovered.

The acquired business contributed revenues of \$37,756 and a loss of \$25,348 to the consolidated entity for the period from 21 May 2014 to 30 June 2014. If the acquisition occurred on 1 July 2013 the full year contributions would have been revenues of \$583,958 and profit before tax of \$147,060.

Details of the assets and liabilities are as follows:

	<b>Fair value</b>	
	<b>\$</b>	
Trade receivables	88,790	
Other assets	1,278	
Fixed assets	1,000	
Client contracts	549,682	
Trade payables	(13,758)	
Employee benefits	(70,308)	
Net assets acquired	556,684	
Goodwill	-	
Acquisition-date fair value of the total consideration transferred	<u>556,684</u>	
Representing:		
Cash paid or payable to vendor	<u>556,684</u>	
Acquisition costs expensed to profit or loss	<u>75,477</u>	
	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Cash used to acquire business, net of cash acquired:		
Acquisition-date fair value of the total consideration transferred	556,684	-
Less: cash and cash equivalents	-	-
Less: payments made in prior periods	-	-
Net cash used	<u>556,684</u>	<u>-</u>

**Note 37. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2014 %	2013 %
OneVue Unit Registry Pty Ltd	Australia	100.00%	100.00%
OneVue Fund Services Pty Ltd	Australia	100.00%	-%
OneVue Limited	Australia	100.00%	100.00%
OneVue Private Clients Pty Limited	Australia	100.00%	100.00%
OneVue UMA Pty Limited	Australia	100.00%	100.00%
MAP Funds Management Ltd	Australia	100.00%	-%
MAP Financial Planning Pty Ltd	Australia	100.00%	-%
SMSF Managers Pty Ltd	Australia	100.00%	100.00%
OneVue Services Pty Ltd	Australia	100.00%	100.00%

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Principal activities	Parent		Non-controlling interest	
			Ownership interest	Ownership interest	Ownership interest	Ownership interest
SMA Tax & SMSF Services Pty Ltd *	Australia	SMSF Services	49.00%	-%	51.00%	-%

The non-controlling interest in the entity is immaterial. SMA Tax & SMSF Services Pty Ltd is dormant.

**Note 38. Interests in associates**

Interests in associates are accounted for using the equity method of accounting. Information relating to associates are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2014 %	2013 %
WealthPortal Pty Limited	Australia	20.00%	20.00%

### Note 39. Events after the reporting period

On 25 July 2014, OneVue Holdings commenced trading on the ASX. OneVue Holdings successfully raised \$14 million by way of an Initial Public Offer for 40 million ordinary shares. OneVue is planning on using \$3 million to complete existing acquisitions, \$3.4 million for potential other acquisitions (including Select outlined below), \$5 million for regulatory purposes, \$1.4 million for IPO costs and \$1.2 million for working capital. The use of funds is in line with pre-quotation disclosure which was lodged with the ASX on 24 July 2014.

On 28 August 2014, OneVue acquired 100% of the shares of Select Asset Management Limited (SAML), trading as Select Fund Services, and Select Investment Partners Limited (SIPL). SAML is a specialist provider of responsible entity (RE) services and is one of Australia's leading RE's for multi-asset trusts and SIPL is a specialist multi-asset investment manager and implemented portfolio consultant. SIPL was acquired to strengthen OneVue's superannuation trustee business and SAML was acquired to enhance OneVue's existing Fund Services offering by creating a broader suite of unit registry and RE services and mFund distribution.

The Select business is being integrated within both business verticals, strengthening OneVue's superannuation trustee business and MAP Funds Management and also enhancing the Fund Services offering by creating a broader suite of unit registry, responsible entity (RE) services and mFund distribution. OneVue, now has the ability to offer a packaged solution to product manufacturers of investment products with RE services complementing existing Fund Services and the automated interfaces to and from major custodians.

Consideration for SAML comprises net \$2.719 million in cash. SAML holds regulatory capital comprising mostly of cash. OneVue paid SAML shareholders \$2.4 million at completion on 28 August 2014, and will pay a further \$2.236 million to the SAML vendor shareholders upon the earlier of the date the SAML and OneVue RE licenses are merged, or 6 months after completion. At that time cash balances within the NTA of SAML will be assumed by OneVue reducing the net cash cost of the transaction back to the agreed consideration.

The consideration for SIPL comprises:

- Base Consideration paid on completion of \$4.3 million in fully paid ordinary shares in OneVue Holdings Limited (OneVue) at an agreed price of \$0.35 each, being a total of 12.286 million OneVue shares (and representing approximately 7.4% of OneVue's expanded issued capital); plus
- Contingent Consideration to be calculated as 50% of actual Select Brand Book Revenue for FY2015 minus \$0.5 million, payable in respect of the two 6 monthly periods of FY2015 and in fully paid ordinary shares in OneVue at an agreed price of \$0.35 each.

The transaction occurred on 28 August 2014 and the entity has not yet determined the identifiable intangibles and goodwill amounts at this stage.

The provisional fair values of the acquisition are:

	<b>SAML</b>	<b>SIPL</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	5,280,075	470,735
Trade receivables	311,539	600,419
Other receivables	32,993	309,039
Other assets	2,042	186,739
Fixed assets	34,861	-
Trade creditors	(823,534)	(246,009)
Other creditors and accruals	(278,686)	(82,692)
Interest bearing liabilities	(11,100)	-
Tax liabilities	(7,581)	(303,321)
Employee entitlements	-	(536,779)
Contingent consideration		499,677
Intangibles (including goodwill)	2,814,568	3,901,869
	-	-
Net assets acquired	7,355,177	4,799,677



**Note 39. Events after the reporting period (Cont'd)**

Acquisition-date fair value of the total consideration transferred	-	-
Cash paid or payable to vendor	5,119,000	-
Contingent consideration	-	499,677
Deferred consideration	2,236,177	-
Ordinary shares issued	-	4,300,000
	<u>7,355,177</u>	<u>4,799,677</u>

The acquisition costs expensed to profit or loss totalled \$62,000.

On 1 September 2014, \$720,000 was paid to Computershare as part of the settlement of the CFS acquisition (Note 18). Computershare elected to receive cash rather than convert the notes to ordinary shares.

**Note 40. Reconciliation of loss after income tax to net cash used in operating activities**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) after income tax expense for the year	(5,236,907)	(1,714,380)
Adjustments for:		
Depreciation of property, plant and equipment	215,081	69,705
Amortisation of intangibles	1,128,868	387,615
Impairment	-	1,476,336
Share based payments	472,426	-
Financial assets mark to market	(132,627)	(65,011)
Gain/loss on disposal of associates	-	9,323
Gain on acquisition	(470,163)	-
Non cash - Discount of loan to SMA	241,665	-
Non cash - Lease incentive liability	(108,000)	-
Non cash - rent lease incentive	267,055	-
Change in operating assets and liabilities:		
(Increase) / decrease in receivables	587,089	20,718
Increase / (decrease) in trade and other payables	1,209,813	36,887
(Increase) / decrease in prepayments	(246,427)	-
Net cash from operating activities	<u>(2,072,127)</u>	<u>221,193</u>

**Note 41. Non-cash investing and financing activities**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Loan to SMA (Note 20)	1,000,000	-
Lease incentive – fit out (Note 19)	850,000	-
	<u>1,850,000</u>	<u>-</u>

## Note 42. Earnings per share

	Consolidated 2014 \$	2013 \$
Loss after income tax	(5,236,907)	(1,714,380)
Loss after income tax attributable to the owners of OneVue Holdings Limited	(5,236,907)	(1,714,380)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	99,072,076	75,159,535
	Cents	Cents
Basic earnings per share	(5.29)	(2.29)
Diluted earnings per share	(5.29)	(2.29)

As the options over ordinary shares would reduce the losses per share they would be considered anti-dilutive therefore not used in the diluted EPS calculation.

## Note 43. Share-based payments

On 20 December 2013, 200,000 OneVue Holdings shares were issued to 100 staff of the OneVue group – each recipient receiving 2,000 shares for nil consideration. Four key management personnel each received 2,000 bonus shares. The value of the shares to the four key management personnel and the Directors are included in the disclosures (note 33) and the remuneration report in the directors' report.

A share option plan was established by the consolidated entity by the Board in December 2009 under which the Board granted options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration in accordance with the rules of the OneVue Holdings Employee Share Option Plan.

Set out below are summaries of options granted under the plan and the options granted to Directors:

2014							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Jan–June 10	31/12/2014	\$0.25	4,795,151	-	(4,795,151)	-	-
01/03/2014	31/12/2014	\$0.26	-	1,809,396	(1,809,396)	-	-
01/03/2014	25/01/2016	\$0.35	-	562,500	-	-	562,500
21/05/2014	21/05/2015	\$0.26	-	85,878	(85,878)	-	-
21/05/2014	21/05/2016	\$0.26	-	85,878	(85,878)	-	-
			4,795,151	2,543,652	(6,776,303)	-	562,500
Weighted average exercise price			\$0.25	\$0.28	\$0.25	\$0.00	\$0.35
2013							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Jan–June 10	31/12/2014	\$0.25	4,795,151	-	-	-	4,795,151
			4,795,151	-	-	-	4,795,151
Weighted average exercise price			\$0.25	\$0.00	\$0.00	\$0.00	\$0.25

**Note 43. Share-based payments (Cont'd)**

As part of the IPO process the options held by management were exercised in May 2014. Per the terms of the exercising of the options OneVue is providing an interest free limited recourse loan for former employees for 1 year and current employees for 3 years which is repayable upon selling the shares. This loan is based on the exercise price of the initial options at 25 cents per unit, total value \$1,198,788. There is no service period required and the current employees are entitled to these shares whether or not they remain with OneVue Holdings Limited for the 3 year period. The fair value of the limited recourse loans was determined using the same valuation and inputs as options granted during the current financial year.

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2014 Number	2013 Number
-	-	-	-
		-	-

The weighted average share price during the financial year was \$0.26 (2013: \$0.30).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.5 years (2013: 0.9 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
01/03/2014	16/05/2014	\$0.26	\$0.26	61.00%	0%	2.7%	\$0.06
01/02/2014	25/12/2015	\$0.26	\$0.35	61.00%	0%	2.7%	\$0.02
21/05/2014	21/05/2015	\$0.26	\$0.26	61.00%	0%	2.7%	\$0.07
21/05/2014	21/05/2016	\$0.26	\$0.26	61.00%	0%	2.7%	\$0.09

The Black Scholes model has been used to calculate the fair values of the options. The expected volatility is based on 3 similar entities to OneVue and is based on 12 months of volatility for these companies.

# Directors' Declaration



The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 September 2014. The directors have the power to amend and reissue the financial statements.

In the directors' opinion:

- The attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- The attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

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Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'G Pemberton', written over a large, stylized circular flourish.

Gail Pemberton  
Chair

29 September 2014, Sydney

# Independent Auditor's Report



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Fax: +61 2 9240 9821  
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Level 11, 1 Margaret St  
Sydney NSW 2000  
Australia

## INDEPENDENT AUDITOR'S REPORT

To the members of OneVue Holdings Limited

### Report on the Financial Report

We have audited the accompanying financial report of OneVue Holdings Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

#### Directors' Responsibility for the Financial Report

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

#### Auditor's Responsibility

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

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

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

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



#### Independence

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

#### Opinion

In our opinion:

- (a) the financial report of OneVue Holdings Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

#### Report on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 18 of the directors' report for the year ended 30 June 2014. 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.

#### Opinion

In our opinion, the Remuneration Report of OneVue Holdings Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

#### BDO East Coast Partnership

Arthur Milner  
Partner

Sydney, 29 September 2014



# ASX Additional Information

The shareholder information set out below is as at 31 August 2014.

## Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities:

Rank	Name	Units	% of Units
1.	ABTOURK (SYD NO 415) PTY LTD	32,357,073	19.47
2.	CITICORP NOMINEES PTY LIMITED	7,466,714	4.49
3.	NATIONAL NOMINEES LIMITED	6,178,241	3.72
4.	UBS NOMINEES PTY LTD	5,714,285	3.44
5.	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LTD <PICREDIT>	5,554,286	3.34
6.	NIGEL STOKES PTY LTD	5,522,081	3.32
7.	MAINSTAY HOLDINGS PTY LTD <WATERSIDE A/C>	5,240,844	3.15
8.	UBS NOMINEES PTY LTD	5,142,857	3.09
9.	J P MORGAN NOMINEES AUSTRALIA LIMITED	4,662,090	2.80
10.	ABTOURK (SYD NO 376) PTY LTD	4,412,516	2.65
11.	COOLABAH VENTURES PTY LTD	2,857,143	1.72
12.	PHAROS FINANCIAL GROUP PTY LTD <THE PHAROS FIN GROUP A/C>	2,533,333	1.52
13.	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	2,405,200	1.45
14.	STEPHEN J M KARRASCH	2,128,333	1.28
15.	CHERRYOAK INVESTMENTS PTY LTD <C & N FAMILY A/C>	2,000,000	1.20
16.	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	2,000,000	1.20
17.	KARRASCH PTY LTD <KARRASCH SUPERANNUATION FUND>	1,959,906	1.18
18.	COOLABAH VENTURES PTY LTD	1,908,397	1.15
19.	DAVID YALE PTY LTD <YALE FAMILY A/C>	1,856,011	1.12
20.	DPM FINANCIAL SERVICES GROUP PTY LTD <DPM FAMILY A/C>	1,856,011	1.12
Top 20 holders of issued capital		103,755,321	62.42
Remaining holders balance		62,460,932	37.58
Total Issued Capital		166,216,253	100.00



## Distribution of equity securities

Analysis of number of equity security holders by size of holding:

	1 to 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 100,000	10,001 and over
Holders	1	79	86	163	123
Shares	1,000	177,930	578,339	7,187,586	158,271,398
<b>Total holders</b>	<b>452</b>				
<b>Total shares</b>	<b>166,216,253</b>				

Total number of shareholders with less than a marketable parcel of shares (valued at \$500 or less): 2.

## Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	562,500	4

## Substantial holders

Substantial holders in the company are:

Shareholder	Shares held	% of total shares issued
Abtourk (Syd No 415) Pty Ltd	36,797,546	24.0
Perpetual Limited	14,307,525	9.29
Acorn Capital Limited	12,571,429	8.16

## Voting rights

The voting rights attached to ordinary shares are set out below:

### Ordinary shares

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

There are no other classes of equity securities entitled to vote.

# Corporate Directory

## Directors

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Gail Pemberton  
Connie Mckeage  
Karen Gibson  
Greta Thomas  
Garry Wayling

## Company Secretary

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Thomas Robertson

## Notice of Annual General Meeting

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The details of the Annual General Meeting of OneVue Holdings Limited are:  
Christie Corporate  
3 Spring Street  
Sydney NSW 2000  
10am on Thursday 6 November 2014

## Registered office and principal place of business

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Level 5, 10 Spring Street  
Sydney NSW 2000  
Phone: (02) 8022 7400

## Share register

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Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney NSW 2000  
Phone: 1300 850 505

## Auditor

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BDO East Coast Partnership  
Level 11, 1 Margaret Street  
Sydney NSW 2000

## Stock exchange listing

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OneVue Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: OVH)

## Website

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[www.onevue.com.au](http://www.onevue.com.au)

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