medtech
EMPOWERING HEALTH

Annual Report 2016

Corporate Directory

Directors

Mr Vino Ramayah (CEO, Executive Chairman)

Mr Ross Tanner (Executive Director)

Mr Russell Clarke (Non- Executive Director)

Mr Darryl Stuart (Non-Executive Director)

Mr Michael Gaylard (Non-Executive Director)

Company Secretary

Mr Michael Gaylard

Registered Office

Level 2

180 Albert Road

South Melbourne

VIC 3205

Australia

Telephone:	(03) 9690 8666
Facsimile:	(03) 9690 8010
Website:	www.medtechglobal.com

Share Registry

Advanced Share Registry

110 Stirling Highway

Nedlands

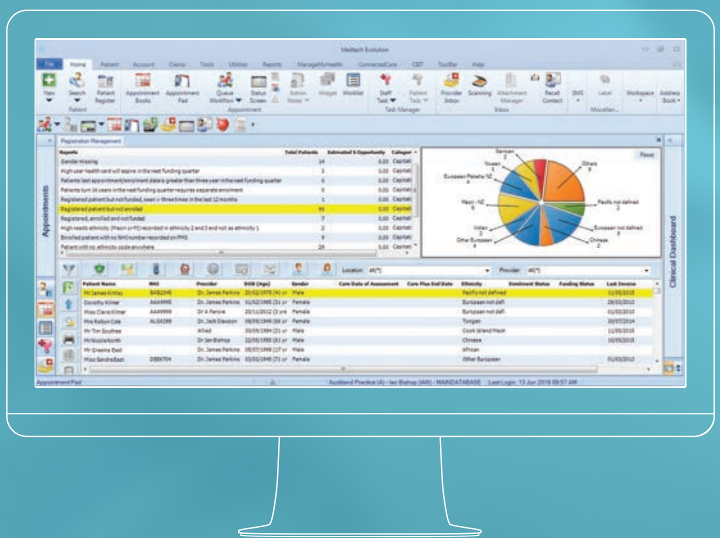
WA 6009

Australia

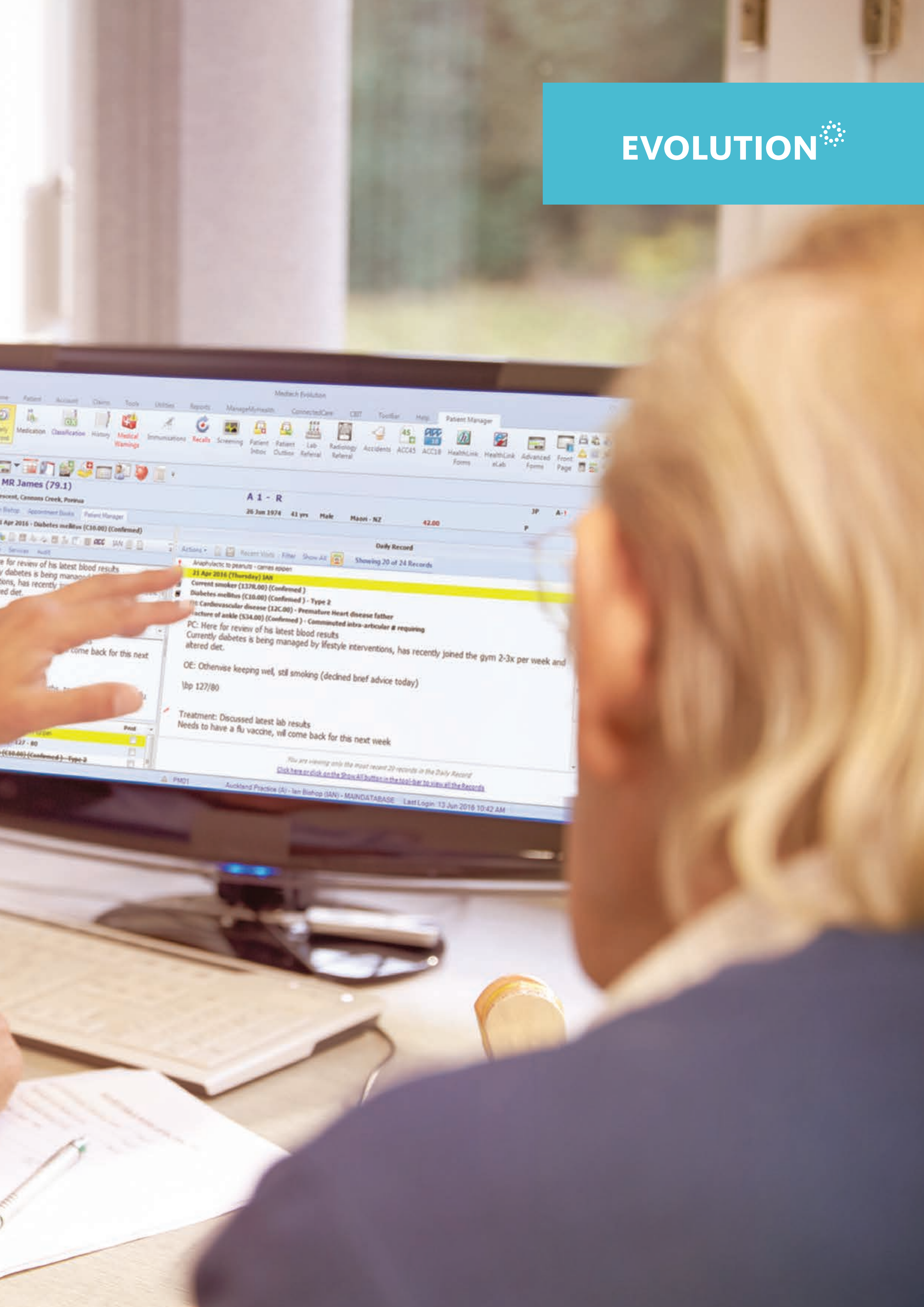
Telephone:	(08) 9389 8033
Facsimile:	(08) 9389 7871

Medtech Global Limited shares are listed on the Australian Stock Exchange (ASX) and trade with the symbol MDG.

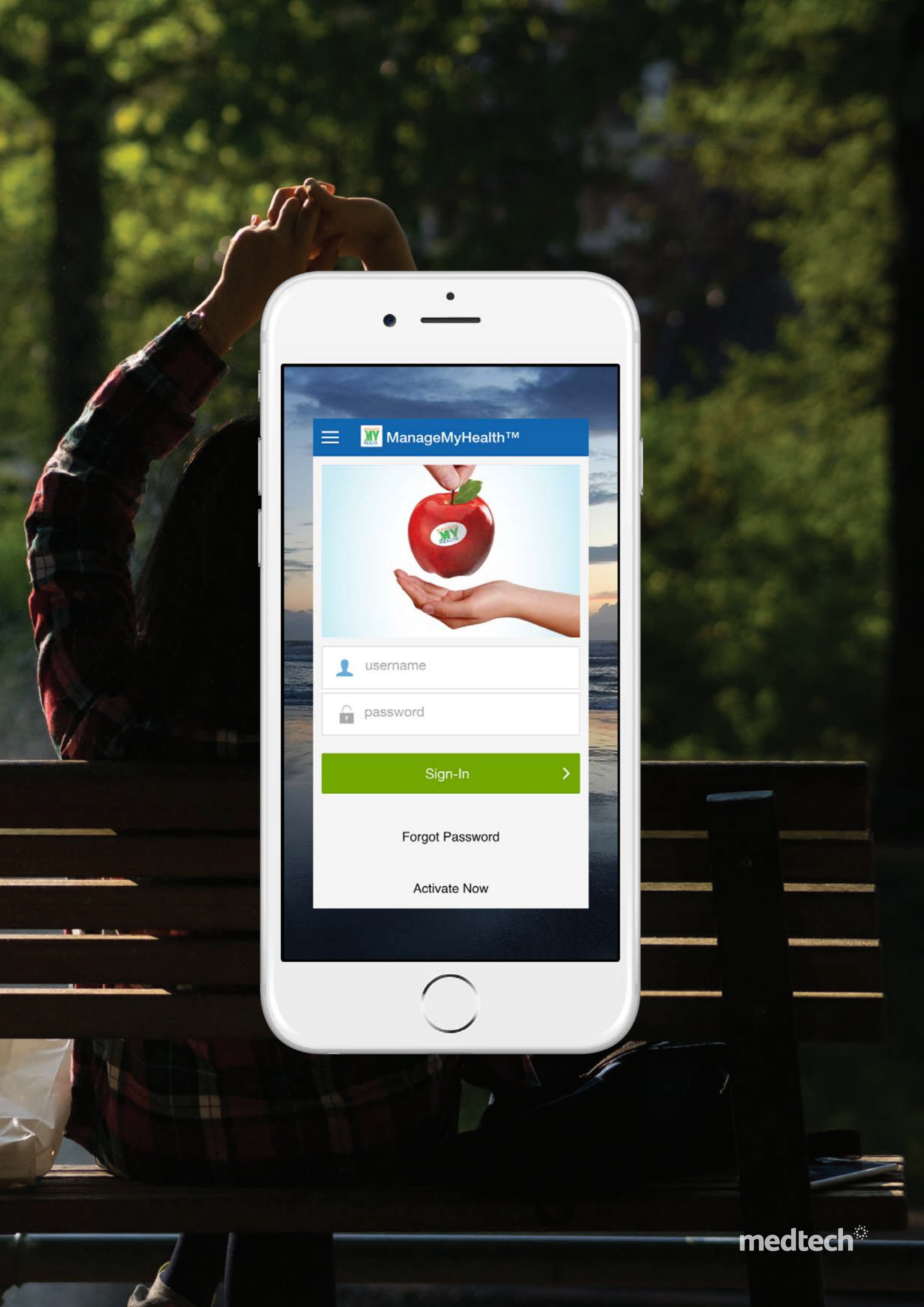
HIGHLIGHTS



Medtech Evolution's **Clinical Business Intelligence Tool (CBIT)** improves clinical data quality and revenue management.


EVOLUTION
MR James (79.1)
Daily Record
Showing 20 of 24 Records
PC: Here for review of his latest blood results
Currently diabetes is being managed by lifestyle interventions, has recently joined the gym 2-3x per week and
altered diet.
OE: Otherwise keeping well, still smoking (declined brief advice today)
\bp 127/80
Treatment: Discussed latest lab results
Needs to have a flu vaccine, will come back for this next week

MANAGE MY HEALTH


ManageMyHealth™
username
password
Sign-In
Forgot Password
Activate Now

medtech

YEAR IN REVIEW

Review of Operations

Financial Position

Key elements of the result are:

- Revenue increased by 6%
- Profit before Interest, Tax, depreciation, amortisation and impairment (EBITDA) decreased by 10%
- Loss attributable to members increased by 21%. This is mainly due to the increase in amortisation expenses during the year.

Management considers EBITDA and EBITA to be key relevant measures in which operations are reviewed for performance.

A$000's	**2016**	**2015**
Revenue	20,599	19,523
EBITDA	**1,361**	**1,510**
Depreciation	(494)	(561)
EBITA	**867**	**949**
Net Interest	(70)	(43)
Amortisation of intangibles	(2,927)	(2,674)
Impairment of intangibles	(30)	(72)
Income Tax Expense	(165)	(159)
Profit/(loss) for the year after tax	**(2,325)**	**(1,999)**
Attributable to non-controlling interests	180	224
Profit/(loss) attributable to members	**(2,145)**	**(1,775)**

Overview

The healthcare market globally is recognised as a key area for growth. The public and private costs of healthcare have increased above 10% of GDP for many developed countries[1], and this cost growth continues. It is driven by various factors such as population, ageing, reduction in workforce and a rapid increase in chronic diseases. These factors have resulted in challenges for health service delivery around the world. There is a growing recognition that the current model of provider-centric health has to be transformed to individual empowerment and ownership of health. This will result in disruption to current models of healthcare and boost the need for diagnostic tools and therapies.

Medtech's experience and extensible technology platforms allow us to respond to these trends through our innovative solutions.

[1] See http://www.commonwealthfund.org/publications/issue-briefs/2015/oct/us-health-care-from-a-global-perspective

Regional Segmentation

A$000's	**2016**	**2015**
Revenue		
New Zealand and India	12,351	10,503
Australia	3,265	4,855
United States of America	4,993	4,165
Inter–Segment Elimination	(10)	-
Total	**20,599**	**19,523**
EBITDA		
New Zealand and Others	520	533
Australia	1,302	1,625
United States of America	(290)	(648)
Inter–Segment Elimination	(171)	-
Total	**1,361**	**1,510**

A. Australia

The Australian version of Medtech Evolution, our new Practice Management platform, was launched into beta earlier in 2016 and is expected to be rolled out to existing customers by quarter 2. Evolution is built on a 64-bit architecture, .Net framework and a Microsoft SQL database, and gives us the flexibility of rapidly responding to changing market needs.

ManageMyHealth has been adapted for the Australian market. It has been successfully deployed in some Medtech32 practices. We continue to sell the solution to our existing customers as well as to new Evolution customers. In order to reach the wider Australian market, Medtech is also working with other vendors of practice management systems to integrate the ManageMyHealth solution with their systems.

Remote Monitoring Programs ManageMyHealth, VitelMed and MD Analyze have been incorporated to provide a Market Validation Programme (MVP). This programme, a collaboration with Peninsula Health and the Commonwealth Scientific and Industrial Research Organisation (CSIRO), is for the management of chronic heart failure patients following release from hospitals, to help prevent readmission. We are exploring additional opportunities with larger hospitals and healthcare organisations who can see the clear benefits of such a programme.

B. New Zealand and India

B.1 New Zealand

In New Zealand, we continue to progress with our transition of customers from Medtech32 to the Evolution products. There are compelling reasons for practices to move with enhanced functionalities in Evolution and better workflows that reduce time and therefore save costs. The product roadmap is robust and includes delivery of additional features on mobile devices as well.

This year we also launched ManageMyHealth's mobile application on both Android and Apple IOS which enabled patients to access ManageMyHealth through mobile devices. Medtech is contracted to implement ManageMyHealth in several major District Health Boards (DHBs) and is currently working with key Primary Health Organisations (PHOs) to implement this.

B.2 India

India is a huge market. Medtech has established beachheads in 3 cities- Chennai, Hyderabad and Delhi. Whilst we have had a modest start, revenues have increased with increased staff on the ground.

We have achieved traction with both private and public healthcare groups. Relationships have been established with several hospital groups through a programme of digitisation of paper based records and converting them into an electronic medical record. To date we have digitised over 26 million records and there is the potential to expand this service to consumer health.

Although this is a low value entry point, it establishes relationships where the benefits of improved efficiency and productivity can be quickly demonstrated. It also offers opportunities to cross-sell other solutions such as ManageMyHealth, VitelMed and smartcard solutions to these same customers.

C. United States of America

We see a significant opportunity for growth in this market and made a crucial, strategic step into this market during 2015 with the acquisition of the non-controlling interest in ConSova, making it a 100 percent wholly owned subsidiary. Consova specialises in optimizing the financial performance of health plans through effective cost containment and risk mitigation.

ConSova has a strong existing client base with robust relationships with some of the biggest insurance companies who are also employers such as Kaiser Permanente and Cigna. It also holds valuable, premium and exclusive distributions with major US Group Purchasing Organisations which can be leveraged for ManageMyHealth.

In addition Medtech operates a business focused on telehealth. We have developed a total solution in ManageMyHealth which integrates hardware and software, offering a powerful platform which is agnostic to the type of device. The solution is both HIPPA and FDA compliant. We are now engaged in a pilot programme to demonstrate the cost effectiveness of the system. Our solution addresses the top six diseases that cause 30-day re-admission into hospital.

Group

We have also further invested in enterprise class infrastructure and communications to ensure we have world class systems to support our growth. This year we upgraded our Customer Relations Management system (Microsoft Dynamics CRM) to increase visibility of customer issues enabling improvements to service levels.

Recertification was successfully obtained for ISO 9001 and ISMS. We also requalified as Microsoft gold partners enabling us to exercise privileges of the partnership. We also have a robust enhancement programme to ensure that our products offer the best value for the customer and are both technologically and functionally ahead of the competition.

Outlook

Each country is different in terms of its health sectors. Medtech's overarching global strategy is to leverage its technologies and adapt them for each market and the opportunities they present. Our goal is ultimately to reach the health consumer, thus enabling individuals and families to have the information that enables them to understand and manage their individual health care needs.

To achieve growth in New Zealand, our focus will continue to be the roll out of Evolution to our existing customers, who are mostly general practitioners, as well as to achieve growth amongst medical specialists and also allied health professionals. We will also concentrate efforts on increasing our market footprint of ManageMyHealth.

In Australia, our focus will be on corporate health groups as well as Aboriginal health. We are gaining traction with our ManageMyHealth solution and see significant opportunities in this area.

In the US, we see the potential of our ManageMyHealth solution on the readmission and remote monitoring targeting health delivery. Together with Consova, we see the opportunity to expand into the employer market and deliver supplementary and compelling solutions.

In India, we will continue our journey in the area of digitisation of the medical records along with the implementation of our ManageMyHealth solution.

We are passionate about making a positive impact on the future of healthcare and continuously striving to promote the quality of patient care through technological innovation.

Our mission is a commitment to continually improve our products, to ensure we meet the needs of the industry. Most importantly, this is our ongoing contribution to improving the health and wellness of people.

Medtech will assess future opportunities to expand its computer software and operations in these countries. The company, when it needs to develop new software and test it before its release, notes that sometimes with commercialisation there is always a risk that software development timetables will be delayed which will have an adverse effect on future revenue should this occur.

Finally, I would like to thank my Board colleagues and team for their hard work and valued contributions and to our shareholders for their continuing support.

Vino Ramayah
Executive Chairman
27 June 2016

Directors' Report

The directors of Medtech Global Limited submit their Directors' Report accompanied by the financial report of Medtech Global Limited and its controlled entities for the financial year ended 31 March 2016. In order to comply with the provisions of the *Corporations Act 2001*, the directors report the following:

Directors

The names of directors in office at any time during and until the date of this report are:

Mr Vino Ramayah

Executive Chairman, age 63

Mr Ramayah has been Executive Chairman and the Chief Executive Officer (CEO) of the Medtech Global group of companies since he was appointed on 25th September 2006. He is also on the board of several technology companies in the Asia Pacific region. He has significant experience in mergers and acquisitions. He has been involved in the development and growth of ICT and biotech companies in Australia, New Zealand and the Pacific Region. Mr Ramayah has provided strategic advice in a professional capacity to various multinationals in several countries in the Asia Pacific. He holds a Bachelor of Laws (Hons) and a Master of Law degree from the University of London.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Ross Tanner

Executive Director, age 66

Mr Tanner was appointed to the board on 15th August 2011. He was appointed as an Executive Director from 1st March 2015. Mr Tanner has been a professional company director and a consultant specialising in public sector management and governance for the past thirteen years. This follows an extensive career in Public Service in New Zealand culminating in his appointment as Deputy State Services Commissioner – in effect, the Deputy Head of the Public Service. Mr Tanner is an experienced organisational strategist and provides independent advice to boards on improvements to governance arrangements and mentoring advice to chief executives. He holds a Master of Arts (1st Class Honours) degree from the University of Canterbury and a Master of Public Administration degree from Harvard University.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Russell Clarke

Non-Executive Director, age 64

Mr Clarke comes from a successful banking and merchant finance background although he has not obtained any formal qualification. He was appointed as the Executive Director on 25th September 2006. Effective 1 October 2014 he has been acting as a Non-Executive Director.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Darryl Stuart

Non-Executive Director, age 58

Mr Stuart was appointed on 1st September 2009. He has held CEO and senior management positions in State Government, financial services ICT, health informatics, biotechnology, e-commerce and international consulting businesses. He was formerly the CEO and director of Medtamic Pty Ltd, a company specialising in clinical audit solutions for the healthcare industry. He holds a Bachelor of Science (Hons) degree from the University of New South Wales.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Michael Gaylard

Non-Executive Director and Company Secretary, age 71

Mr Gaylard was appointed to the board on 21st April 2011. Previously, Mr Gaylard worked for McGregor and Court, Chartered Accountants and as managing partner in Rogers and Gaylard. He has been extensively involved in intellectual property, computer contracts joint ventures and corporate law. He now serves as a consultant to Rogers and Gaylard. He holds a Bachelor of Laws and Commerce degrees from the University of Melbourne. He is a barrister and solicitor of the Supreme Court of Victoria, and former member of the Australian Society of Certified Practicing Accountants.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Committee Membership

As at the date of this report, the Group had an Audit Committee and a Remuneration Committee.

Members acting on the committees of the board during the year were:

Audit Committee

Mr Russell Clarke
Mr Michael Gaylard

Remuneration Committee

Mr Vino Ramayah
Mr Russell Clarke
Mr Darryl Stuart
Mr Michael Gaylard
Mr Ross Tanner

Due to the limited size and lack of complexity of the Group, the remuneration committee functions are overseen by the Board of Directors.

The Board of Directors of the Group does not have a Nominations Committee. The board is of the opinion that due to the nature and size of the Group, the functions performed by a Nominations Committee can be adequately handled by the full board.

Meetings of Directors

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Directors' Meetings	Audit Committee Meetings
Number of meetings held:	7	2
Number of meetings attended by:		
V Ramayah	7	-
R Clarke	4	1
D Stuart	5	-
R Tanner	7	-
M Gaylard	7	2

All directors during the course of their directorships were eligible to attend all meetings held. The Audit Committee meetings were also attended by Ms Bose, non-director.

Director's Interests

As at the date of this report, the relevant interests of the directors of this report in the shares of the company are:

Director	Number of Fully Paid Ordinary Shares
V. Ramayah	70,809,262
R. Clarke	109,000
D. Stuart	750,000
M. Gaylard	120,000
Total	**71,788,262**

Mr V Ramayah has an interest of 70,809,262 shares in the company held by Cereus Holdings Limited.

Mr R Clarke has an interest of 10,000 shares in the company held directly, 89,000 shares held by R G Clarke & Associates Ltd, and 10,000 shares held by The Russell Clarke Family Trust.

Mr D Stuart has an interest of 750,000 shares held directly.

Mr M Gaylard has an interest of 120,000 shares held directly.

Transactions with directors and their related parties

Please refer note 27 Related Party Disclosures for transactions with directors and their related parties.

Principal Activities

The principal activities of the Group during the financial year were the business and sale by way of sub-licence of healthcare technologies worldwide.

Corporate Governance Statement

Medtech Global Limited remains committed to corporate governance practices that are compatible with the company's age and size and which ensure an appropriate degree of accountability and transparency to shareholders and other stakeholders.

ASX Listing rule 4.10.3 requires that Medtech Global Limited disclose the extent to which it has followed the recommendations of the ASX Corporate Governance Council's ('ASX CGC') *Corporate Governance Principles and Recommendations* (3rd Edition) during the 2016 year.

Information on Corporate Governance is available on Medtech Global Limited's website using the following URL: http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/ .

Review of Operations

A review of the operations of the Group can be found on page 9 of this report.

This review of operations has not been audited.

Likely Developments

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

Dividends

No dividends have been paid or declared since the start of the financial year.

Significant Changes in State of Affairs

Medtech Holdings USA Inc a wholly owned subsidiary of Medtech Global Limited has on the 31st October 2015 purchased all the non-controlling interests in Consova Corporation and in so doing has 100% ownership of US based ConSova Corporation. There were no other significant changes in the state of affairs of the Group other than that already referred to in the financial statements.

Profit/ Loss per Share

The loss per share was 2.32 cents (2015: Loss per share 1.99 cents). The weighted average number of shares on issue during the financial year used in the calculation of earnings / loss per share was 100,248,061 (2015: 100,248,061).

Contingent Liability

Medtech Holdings USA Inc (MHI) a wholly owned subsidiary of Medtech Global Limited (MDG) has on the 31st October 2015 purchased all the non-controlling interests and in doing so has 100% ownership of ConSova Corporation. The purchase price under the agreement is a total of US$1,300K. Of this US$80K is a contingent amount payable in the event, and only in the event, ConSova Corporation or all or substantially all of its assets is or are sold within 18 months of the acquisition date for aggregate consideration valued at US$ 2,700K or greater. The Group has no intention to sell ConSova Corporation or all or substantially all of its assets and consequently AU$ 104K equivalent to US$ 80K has been shown as contingent liability as at 31 March, 2016. (2015: Nil)

Subsequent Events

There were no significant events subsequent to reporting date.
(Previous year: Ultrasis Interactive Healthcare PLC (Ultrasis) a customer was navigating through financial difficulty. Based on the information on their website at that time, Ultrasis had filed a notice of intention to appoint Paul Flint and Brian Green, insolvency practitioners at KPMG LLP, as administrators to the Company. Gross amount receivable of $542,671 was set off by amount payable and subsequent collection of $ 261,409. Acknowledging the potential risk, a provision for doubtful debt for the balance amount of $ 281,262 was made as at 31 March, 2015.)

During the year, $ 72,227 was paid by Ultrasis. This necessitated a reversal of provision for doubtful debt created as at 31 March 2015.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order, amounts in this report are rounded to the nearest thousand dollars.

Share Options

No options were granted during or since the end of the financial year up to the date of this report to any of the directors or other officers of the Group. No director or other officer of the Group holds any options over unissued shares of the company.

Indemnification and Insurance of Directors and Officers

The Group has agreed to indemnify all the directors and executive officers for any breach of environmental or discrimination laws by the Group for which they may be held personally liable. The agreement provides for the Group to pay an amount not exceeding $2,000,000 provided that:

(a) The liability does not arise out of conduct involving a lack of good faith.

(b) The liability is for costs and expenses incurred by the director or officer in defending proceedings in which judgement is given in their favour or in which they are acquitted.

During or since the financial year, the Group has paid premiums in respect of a contract insuring all the directors against legal costs incurred in defending proceedings for conduct other than:

(a) A wilful breach of duty.

(b) A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of directors insurance contract premiums paid was $ 22,885.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Pitcher Partners Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Pitcher Partners during or since the financial year.

Environmental Regulation

The Group's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Remuneration Report

This Remuneration Report outlines the director and executive remuneration arrangements of the company and Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. This information has been audited as required by section 308(3C) of the Act.

For the purposes of this report, Key Management Personnel (KMP) of the company and Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the company and Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term 'executive' encompasses the chief executive, senior executives, general managers and secretaries of the company and Group.

Remuneration Committee

The Remuneration Committee consists of the Board of Directors of the Group and is responsible for determining and reviewing remuneration arrangements for the directors and executives.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality, high performing directors and executive team. This review and approval form part of budget discussion.

Remuneration Philosophy

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

The Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;

- Link executive rewards to shareholder value; and

- Establish appropriate and demanding performance hurdles for variable executive remuneration.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive directors and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

Objective

The board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure

The constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually. The board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The non-executive directors do not participate in any incentive programs.

Executive Remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- Reward executives for Group, business unit and individual performance against targets set by reference to appropriate benchmarks;

- Align the interests of executives with those of shareholders; and

- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Remuneration Committee engages external consultants as required to provide independent advice.

The Remuneration Committee has entered into a contract of employment with the Chief Executive Officer and other executives.

Remuneration consists of the following key elements:

- Fixed remuneration (base salary, superannuation and other benefits);

- Variable remuneration including short term incentives (STI).

The proportion of fixed remuneration and variable remuneration for each executive is set out below.

Fixed Remuneration

Objective

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of the Group, business unit and individual performance, relevant comparative remuneration from external and internal sources and where appropriate, external advice on policies and practices. As noted above, the Committee has access to external advice independent of management.

Structure

Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

Variable Remuneration – short term incentive (STI)

Objective

The objective of the STI program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve their operational targets and that the cost to the Group is reasonable in the circumstances.

Structure

Actual STI payments granted to each executive depends on the extent to which specific targets set at the beginning of the financial year are met. The target consists of a number of key performance indicators (KPI's), covering financial and non-financial, corporate and individual measures of performance. Typically included are measures such as contribution to net profit after tax, customer service, risk management and leadership/team contribution. These measures were chosen as they represent the key drivers for the short term success of the business and provide a framework for delivering long term value.

The Group has predetermined benchmarks that must be met in order to trigger payments under the STI scheme. On an annual basis, after consideration of performance against KPI's, the Remuneration Committee, in line with their responsibilities, determine the amount, if any, of the STI to be paid to each executive. This process usually occurs within three months after the reporting date.

The aggregate of annual STI payments available for executives across the Group is subject to the approval of the Remuneration Committee. Payments made are delivered as a cash bonus in the following reporting period.

The Remuneration Committee has considered the STI entitlements for the 2016 financial year.

There was no alteration to the STI bonus plan for the year.

Remuneration Mix

The following table sets out the percentage of fixed and at-risk remuneration as a component of total available remuneration for those KMP who participate in the STI programme.

There are several key performance components to the STI which apply to the individual KMP. These are linked to financial goals, strategic objectives, and sustainable performance to name a few.

KPIs are set annually, with a certain level of consultation with KMP. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the remuneration committee in light of the desired and actual outcomes, and their efficiency is assessed in relation to the Group's goals and shareholder wealth, before the KPIs are set for the following year.

Name	**Title**	**% Fixed**	**% Variable (At-Risk)**
S Samaraweera	Head of Solution Sales	53%	47%
R Kumble	Chief Technical Officer	89%	11%
R Bose	Group Financial Controller	100%	-
M Smith	President – ConSova Corporation	70%	30%
J Tarrant	Non-Executive Director – Medtech Global USA, LLC & ConSova Corporation	-	-

Employment Contracts and Service Agreements

All executives including the CEO have rolling contracts. The Group may terminate the executive's employment agreement by providing one month's written notice or providing payment in lieu of the notice period (based on the fixed component of the executive's remuneration). The Group may terminate the contract at any time without notice if serious misconduct has occurred.

Certain Key Management Personnel have an interest in Consultancy Services Agreements with the Group. All contracts can be terminated by either party with one month's notice.

Except for D Stuart, M Gaylard, R Kumble, M Smith and J Tarrant, the CEO and other executives provide their services via corporate entities rather than being employed directly by the Group.

Details of Remuneration - 2016

2016	SHORT-TERM EMPLOYEE BENEFITS			POST-EMPLOYMENT BENEFITS		CASH-BASED BONUS
KEY MANAGEMENT PERSONNEL	CASH SALARY, FEES AND OTHER	CASH BONUS	NON CASH BENEFITS	SUPER-ANNUATION	TOTAL	PERCENTAGE
	$	$	$	$	$	
Non-Executive Directors						
D Stuart	15,000	-	-	-	15,000	-
R Clarke	11,058	-	812	-	11,870	-
M Gaylard – Company Secretary	24,000	-	-	-	24,000	-
Sub-total Non-Executive Directors	**50,058**	**-**	**812**	**-**	**50,870**	
Executive Directors						
V Ramayah (a)	414,668	-	14,538	12,440	441,646	-
R Tanner (b)	73,719	-	-	-	73,719	-
Sub-total Executive Directors	**488,387**	**-**	**14,538**	**12,440**	**515,365**	
Key Management Personnel						
S Samaraweera - Head of Solution Sales (c)	165,867	147,438	-	-	313,305	47%
R Kumble - Chief Technical Officer (e)	150,000	-	-	14,250	164,250	
R Bose – Group Financial Controller (a)	138,223	-	812	4,147	143,182	
M Smith - President, Consova Corporation (f)	139,660	-	-	5,730	145,390	
J Tarrant - Non Executive Director, Medtech Global USA LLC and ConSova Corporation (d)	18,531	-	-	-	18,531	
Sub-total Key Management Personnel	**612,281**	**147,438**	**812**	**24,127**	**784,658**	
Total	**1,150,726**	**147,438**	**16,162**	**36,567**	**1,350,893**	

a) Mr V Ramayah and Ms R Bose provide their services to Medtech Global Limited by way of a management agreement between Medtech Global Limited and Cereus Holdings Limited.

b) Payment to Mr R Tanner is made via his incorporated entity Ross Tanner Consulting Ltd. Ross Tanner Consulting Ltd has an agreement with Medtech Limited to provide services.

c) Payment to S Samaraweera is made via his incorporated entity CRM4Sight Ltd. CRM4Sight Ltd has an agreement with Medtech Limited to provide services.

d) J Tarrant ceased employment with Medtech Global LLC, USA in July 2014 and he reached an agreement with Medtech Global LLC, USA that no remuneration was due and payable to him for the previous year. Remuneration for the current year represents fees paid for attending the meetings of the board of directors of ConSova Corporation.

e) Mr R Kumble provides services to Medtech Healthcare Pty Limited under an employment agreement.

f) Mr M Smith provided services to Consova Corporation under an employment agreement up until August 2015.
During the year, M. Smith sold 48,400 shares of Consova Corporation to Medtech Holding USA Inc. for a consideration of US$1,200,000. Of this consideration, US$ 300,000 was paid at closing date; US$ 820,000 is to be paid in 40 equal instalments bearing a simple interest of 4.25% per annum. Balance consideration of US$ 80,000 is a contingent amount payable in the event, and only in the event, ConSova Corporation or all or substantially all of its assets is or are sold within 18 months of the acquisition date for aggregate consideration valued at US$ 2,700,000 or greater. (Refer Note 29)
During the year, interest of $ 18,825 was paid to M. Smith on deferred purchase consideration.

There was no discussion on the remuneration report at the last AGM. The resolution for adopting the remuneration report was put to vote and adopted at the last AGM.

Please refer note 27 Related Party Disclosures for transactions with KMPs and their related parties.

Details of Remuneration - 2015

2015	SHORT-TERM EMPLOYEE BENEFITS			POST-EMPLOYMENT BENEFITS		CASH-BASED BONUS
KEY MANAGEMENT PERSONNEL	**CASH SALARY, FEES AND OTHER**	**CASH BONUS**	**NON CASH BENEFITS**	**SUPER-ANNUATION**	**TOTAL**	**PERCENTAGE**
	$	$	$	$	$	
Non-Executive Directors						
D Stuart	15,000	-	-	-	15,000	-
R Tanner (i)	48,151	-	-	-	48,151	-
R Clarke (ii)	48,918	-	353	-	49,271	-
M Gaylard – Company Secretary	24,000	-	-	-	24,000	-
Sub-total Non-Executive Directors	**136,069**	**-**	**353**	**-**	**136,422**	
Executive Directors						
V Ramayah	416,688	-	15,565	12,501	444,754	-
R Clarke (ii)	12,066	-	353	-	12,419	-
R Tanner (i)	6,173	-	-	-	6,173	-
Sub-total Executive Directors	**434,927**	**-**	**15,918**	**12,501**	**463,346**	
Key Management Personnel						
S Samaraweera - Head of Solution Sales	166,675	55,559	-	-	222,234	25.0%
R Kumble - Chief Technical Officer	160,000	-	-	15,106	175,106	-
R Bose – Group Financial Controller	138,896	-	707	4,167	143,770	-
M Smith - President, Consova Corporation	272,665		5,045	9,571	287,281	
J Tarrant - Non Executive Director, Medtech Global USA, LLC	-	-	-	-	-	-
Sub-total Key Management Personnel	**738,236**	**55,559**	**5,752**	**28,844**	**828,391**	
Total	**1,309,232**	**55,559**	**22,023**	**41,345**	**1,428,159**	

(i) Non-Executive Director until 28th February 2015 and Executive Director thereafter
(ii) Executive Director until 30th September 2014 and Non- Executive Director thereafter
(iii) During the year ended 31 March 2015, interest of $3,095 was paid to Cereus Holdings Limited, a company controlled by Mr. V. Ramayah.

KMP Shareholdings

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

KEY MANAGEMENT PERSONNEL	BALANCE AT THE BEGINNING OF THE YEAR	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT THE END OF YEAR
Non-Executive Directors					
D Stuart (a)	750,000	-	-	-	750,000
R Clarke (b)	109,000	-	-	-	109,000
M Gaylard – Company Secretary (c)	120,000	-	-	-	120,000
Sub-total Non-Executive Directors	**979,000**	**-**	**-**	**-**	**979,000**
Executive Directors					
V Ramayah (d)	70,809,262	-	-	-	70,809,262
R Tanner	-	-	-	-	-
Sub-total Executive Directors	**70,809,262**	**-**	**-**	**-**	**70,809,262**
Key Management Personnel					
S Samaraweera - Head of Solution Sales	-	-	-	-	-
R Kumble - Chief Technical Officer	-	-	-	-	-
R Bose – Group Financial Controller	-	-	-	-	-
M Smith - President, Consova	-	-	-	-	-
J Tarrant - Non Executive Director, Medtech Global USA LLC and ConSova Corporation	-	-	-	-	-
Sub-total Key Management Personnel	**-**	**-**	**-**	**-**	**-**
Total	**71,788,262**	**-**	**-**	**-**	**71,788,262**

a. Mr D Stuart has an interest of 750,000 shares held directly.

b. Mr R Clarke has an interest of 10,000 shares in the company held directly, 89,000 shares held by R G Clarke & Associates Ltd, and 10,000 shares held by The Russell Clarke Family Trust.

c. Mr M Gaylard has an interest of 120,000 shares held directly.

d. Mr V Ramayah has an interest of 70,809,262 shares in the company held by Cereus Holdings Limited.

Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

Group Performance

The table below demonstrates the performance of the Group over the five years:

	YEAR ENDED 31 MARCH				
	2016	**2015**	**2014**	**2013**	**2012**
Total revenue	20,599,142	19,522,967	16,649,422	11,814,110	9,660,418
Profit / (loss) before income tax	(2,159,916)	(1,840,426)	(3,263,453)	(792,746)	10,089
Net profit / (loss) for the year	(2,325,125)	(1,999,778)	(4,135,234)	(856,787)	(107,184)
Net profit / loss attributable to owners of the parent	(2,145,249)	(1,775,644)	(4,452,222)	(816,710)	(99,933)
Total KMP remuneration	1,350,893	1,428,159	1,015,349	1,079,285	1,206,585
Profit / (loss) per share (cents per share)	(2.32)	(1.99)	(4.13)	(0.85)	(0.10)
Share price on the balance date	0.11	0.15	0.08	0.035	0.50

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 purposes of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or Group are important.

Details of the amounts paid or payable to auditors for audit and non-audit services provided during the year can be located in note 7 of the financial statements.

The directors have considered the position and are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors as imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services, as set out below, did not compromise the auditor independence of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for the company and/or Group, acting as advocate for the company and/or Group, or jointly sharing economic risk and rewards.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 March 2016, as required under Section 307 of the *Corporations Act 2001*, has been received and can be found on page 21 of this report.

Signed in accordance with a resolution of the directors made pursuant to Section 298(2) of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.

PITCHER PARTNERS
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MEDTECH GLOBAL LIMITED

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MEDTECH GLOBAL LIMITED

In relation to the independent audit for the year ended 31 March 2016, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of any applicable code of professional conduct.

R M Shanley — PITCHER PARTNERS

Partner — Sydney

Date: 27 June 2016

PITCHER PARTNERS
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MEDTECH GLOBAL LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MEDTECH GLOBAL LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Medtech Global Limited and controlled entities, which comprises the consolidated statement of financial position as at 31 March 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

MEDTECH GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MEDTECH GLOBAL LIMITED

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

Independence

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

Opinion

In our opinion:

(a) the financial report of Medtech Global 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 31 March 2016 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 consolidated 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 the directors' report for the year ended 31 March 2016. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Medtech Global Limited and controlled entities for the year ended 31 March 2016 complies with section 300A of the *Corporations Act 2001*.

R M SHANLEY — PITCHER PARTNERS

Partner — Sydney

Date: 27 June 2016

Declaration by Directors

In accordance with a resolution of the directors of Medtech Global Limited, we state that:

In the opinion of the directors:

1. The financial statements and notes of Medtech Global Limited for the financial year ended 31 March 2016 are in accordance with the *Corporations Act 2001*, including:

    a) giving a true and fair view of the Group's financial position as at 31 March 2016 and of its performance for the year ended on that date; and

    b) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

2. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1; and

3. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer and the Group Financial Controller in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 31 March 2016.

On behalf of the board

Vino Ramayah	**Russell Clarke**
Executive Chairman	*Director*
27 June 2016	*27 June 2016*

FINANCIAL REPORT

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2016

	NOTE	CONSOLIDATED ENTITY 2016 $	2015 $
Revenue	**4**	19,836,892	17,648,452
Income from Government Grant		762,250	1,874,515
Cost of sales		(1,087,438)	(1,001,855)
Finance costs	**5a**	(87,250)	(68,494)
Depreciation, Amortisation and Impairment of Intangibles	**5b**	(3,450,650)	(3,306,624)
Employee benefits expenses	**5c**	(8,923,605)	(7,874,116)
Consulting fees		(3,632,176)	(3,672,434)
Management fee to related party	**27**	(1,501,345)	(1,183,392)
Travelling expenses		(619,422)	(441,701)
Occupancy costs		(822,249)	(742,959)
IT support expenses		(682,396)	(638,986)
Telecommunication costs		(611,004)	(457,888)
Legal and statutory costs		(658,107)	(743,300)
(Provision for)/ Recovery of bad debts		67,929	(316,157)
Foreign currency gain / (loss)		60,953	(30,643)
Other expenses		(812,298)	(884,845)
Profit / (Loss) before income tax expense		**(2,159,916)**	**(1,840,426)**
Income tax (expense) / credit	**6**	(165,209)	(159,352)
Net Profit / (Loss) for the year		**(2,325,125)**	**(1,999,778)**
Other comprehensive income			
Items that may be reclassified subsequently to Profit and Loss			
Foreign currency translation gain / (loss)		(3,519)	249,490
Total comprehensive income / (loss) net of tax		**(2,328,644)**	**(1,750,288)**
Net profit / (loss) attributable to owners of the parent		**(2,145,249)**	**(1,775,644)**
Non-controlling interest		(179,876)	(224,134)
		(2,325,125)	**(1,999,778)**
Total comprehensive income / (loss) attributable to owners of the parent		**(2,148,768)**	**(1,526,154)**
Non-controlling interest		**(179,876)**	**(224,134)**
		(2,328,644)	**(1,750,288)**
From Operations			
Basic and diluted profit / (loss) per share (cents per share)		**(2.32)**	**(1.99)**

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 31 March 2016

		CONSOLIDATED ENTITY	
		2016	2015
	NOTE	$	$
CURRENT ASSETS			
Cash and cash equivalents	9	1,544,698	1,247,010
Trade and other receivables	10	2,451,142	2,599,619
Inventories	11	52,043	5,570
Income tax receivable		561,611	290,306
Other current assets	15	519,656	250,619
TOTAL CURRENT ASSETS		**5,129,150**	**4,393,124**
NON-CURRENT ASSETS			
Property, plant & equipment	13	784,214	1,187,497
Deferred tax asset (net)	6	270,212	624,290
Intangible assets	14	2,562,271	5,436,442
TOTAL NON-CURRENT ASSETS		**3,616,697**	**7,248,229**
TOTAL ASSETS		**8,745,847**	**11,641,353**
CURRENT LIABILITIES			
Trade and other payables	16	3,012,550	3,093,816
Deferred revenue	16d	899,881	1,109,056
Interest bearing loans and borrowings	17	900,793	573,208
Provisions	18	584,946	377,840
TOTAL CURRENT LIABILITIES		**5,398,170**	**5,153,920**
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	17	1,348,500	433,310
Other non-current liabilities		36,904	55,206
TOTAL NON-CURRENT LIABILITIES		**1,385,404**	**488,516**
TOTAL LIABILITIES		**6,783,574**	**5,642,436**
NET ASSETS		**1,962,273**	**5,998,917**
EQUITY			
Contributed equity	19	48,929,120	48,929,120
Accumulated losses		(45,368,133)	(43,222,884)
Acquisition of Non-Controlling Interest		(1,498,607)	-
Foreign currency translation reserve		(4,056)	(537)
Equity attributable to the owners of the parent		**2,058,324**	**5,705,699**
Non-controlling interest	20	(96,051)	293,218
TOTAL EQUITY		**1,962,273**	**5,998,917**

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

Statement of Changes in Equity

For the year ended 31 March 2016

	ORDINARY SHARE CAPITAL	ACCUMULATED LOSSES	ACQUISITION OF NCI RESERVE[1]	FCTR[2]	OWNERS OF THE PARENT	NCI[3]	TOTAL EQUITY
Balance at 31 March 2014	**48,929,120**	**(41,447,240)**	**-**	**(250,027)**	**7,231,853**	**517,352**	**7,749,205**
Net Profit / (Loss) for the year	-	(1,775,644)	-	-	(1,775,644)	(224,134)	**(1,999,778)**
Other comprehensive income (FCTR)	-	-	-	249,490	249,490	-	**249,490**
Total comprehensive income	**-**	**(1,775,644)**	**-**	**249,490**	**(1,526,154)**	**(224,134)**	**(1,750,288)**
Balance at 31 March 2015	**48,929,120**	**(43,222,884)**	**-**	**(537)**	**5,705,699**	**293,218**	**5,998,917**
Net Profit / (Loss) for the year		(2,145,249)			(2,145,249)	(179,876)	**(2,325,125)**
Other comprehensive income (FCTR)	-	-	-	(3,519)	(3,519)	-	**(3,519)**
Total comprehensive income	**-**	**(2,145,249)**	**-**	**(3,519)**	**(2,148,768)**	**(179,876)**	**(2,328,644)**
Acquisition of Non-Controlling Interest	-	-	(1,498,607)	-	(1,498,607)	**(209,393)**	**(1,708,000)**
Balance at 31 March 2016	**48,929,120**	**(45,368,133)**	**(1,498,607)**	**(4,056)**	**2,058,324**	**(96,051)**	**1,962,273**

[1] Acquisition of Non-Controlling Interest Reserve represents the difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid, where there is no change in control. **(Refer note 23 "Acquisition of Non- Controlling Interest in ConSova Corporation" for details.)**

[2] Foreign Currency Translation Reserve

[3] Non-controlling interest represents 15% non-controlling Interest in Medtech Global USA, LLC as at 31 March 2016. (2015: 15% Non-Controlling Interest in Medtech Global USA, LLC and 49.9% Non-Controlling Interest in ConSova Corporation). All other entities within the group are fully owned by the parent Medtech Global Limited.

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

Statement of Cash Flows

For the year ended 31 March 2016

	NOTE	CONSOLIDATED ENTITY 2016 $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		21,743,194	18,980,989
Receipt of government grant		300,000	1,050,000
Payments to suppliers and employees		(21,483,811)	(19,202,721)
Interest received		13,099	19,104
Finance costs		(63,523)	(51,555)
Income tax paid (net of refund and R&D tax credit)		367,434	(236,433)
Net operating cash flows	**25(a)**	**876,393**	**559,384**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(172,673)	(1,031,839)
Purchase of intangible assets		(71,446)	(523,522)
Net investing cash flows		**(244,119)**	**(1,555,361)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		1,394,465	1,309,732
Repayments of borrowings		(872,942)	(706,337)
Payments for acquisition of business		(149,333)	(145,404)
Payments for acquisition of non-controlling interest		(706,776)	-
Net financing cash flows		**(334,586)**	**457,991**
Net increase/(decrease) in cash held		297,688	(537,986)
Cash at the beginning of the financial year		1,247,010	1,784,996
Cash and cash equivalents at the end of the financial year	**9**	**1,544,698**	**1,247,010**

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

Notes to the Financial Statements for the year ended 31 March 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

The consolidated financial report of Medtech Global Limited for the year ended 31 March 2016 was authorised for issue in accordance with a resolution of the directors on 27 June 2016.

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board, and the *Corporations Act 2001*.

Medtech Global Limited is a for profit company incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

This report is to be read in conjunction with any public announcements made by Medtech Global Limited during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

The following is a summary of material accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

Basis of Preparation

This financial report includes results of the consolidated entity consisting of Medtech Global Limited and its controlled entities (the "Group"). The financial report is presented in Australian dollars and all amounts are rounded to the nearest dollar unless otherwise stated.

Compliance with IFRS

The financial report complies with for-profit Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS) as issued by the International Financial Reporting Standards Board.

Historical cost basis

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected items.

Going Concern

Management recognise the trading loss for the period of $ 2,325,125. It is noted this was after depreciation, amortisation and impairment of intangibles recognised of $ 3,450,650**.** Management also recognise a current net asset deficiency of $ 269,020 at 31 March 2016. This deficit is due to deferred revenue of $ 899,881 which does not result in a cash outflow. The board of directors believe that it is appropriate to continue to adopt the going concern assumption for the completion of these financial statements based on the recognition of positive operating cash flows for the year ending 31 March 2016, five year cash flow forecasts and the availability of an overdraft and loan facility with the bank (refer note 17(e) for the details of unused facilities.

Critical accounting estimates

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The 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.

Accounting Policies

a) Basis of consolidation

The consolidated financial statements are those of the consolidated entity ("the Group"), comprising the financial statements of the parent entity and of all entities Medtech Global Limited ("The Company") controls. Details of the controlled entities are contained in note 12. The Company controls an entity when it has power over the investee and the Group is exposed to or has 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.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses including any unrealised profits or losses, have been eliminated on consolidation.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition (see note (h).

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received are attributable to the owners of the parent and recognised directly in equity.

b) Segment reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the CEO in assessing performance and in determining the allocation of resources. The operating segments are geographic. A geographic segment is a distinguishable component of the entities that is engaged in providing products and services within a particular economic environment and is subject to its risks and returns.

c) Foreign currency transactions and balances

(i) Functional and presentation currency

The functional currency of each of the Group entities is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

Resulting exchange differences arising on settlement or restatement are recognised as revenue and expenses for the financial year.

(iii) Translation of Group Companies functional currency to presentation currency

The results of the foreign subsidiaries are translated into Australian Dollars as at the date of each transaction. Assets and liabilities are translated at exchange rates prevailing at balance date.

Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in Equity.

On consolidation, exchange differences arising from the translation of the net investment in New Zealand, USA and India subsidiaries are taken to the foreign currency translation reserve in Equity. If any of the foreign subsidiaries were sold, the proportionate share of the exchange difference would be transferred out of Equity and recognised in the statement of profit or loss and other comprehensive income.

d) Revenue

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from the provision of services to a customer is recognised upon delivery of the service. Certain clients may be invoiced in advance of provision of services and this amount is recognised as a liability until the service is performed. Revenue from the sale of rights to use the products (license) is one off and non-recurring in nature and recognised when the license is delivered.

ConSova Corporation's revenue from over-payment claims services is recognised on an achievement of milestone basis when the services have been provided and the over-payments have been identified for the customer.

Revenue from software contracts is recognised when milestones and / or specific deliverables are met. The milestones and / or specific deliverables generally mirror the software development life cycle.

Interest revenue is recognised as interest accrues using the effective interest method.

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

e) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the statement of profit or loss and other comprehensive income over the period necessary to match them on a systematic basis to the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment, except for R & D Grants, are included in non-current liabilities as deferred income and are released to the statement of profit or loss and other comprehensive income on a straight-line basis over the expected useful life of the asset.

R & D Grants are recognised in the statement of profit or loss and other comprehensive income when expected to be received in cash.

f) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of 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 profit nor taxable profit or loss.

- when the taxable temporary difference is associated with investments in subsidiaries, associates or interest in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets is reviewed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities, when recognised, will be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

g) Hire purchase and leased assets

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement and require 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.

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership that are transferred to entities in the consolidated entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease assets are depreciated on a diminishing-value basis over their estimated useful lives.

Operating lease payments are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

h) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to initially measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as liability that is a financial instrument and within the scope of AASB 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of AASB 139, it is measured in accordance with the appropriate AASB. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

i) Impairment of intangible assets other than goodwill

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

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 tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

j) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, deposits held at call with banks, and 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

k) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the trade and other receivables are de-recognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after the reporting date, which are classified as non-current assets.

Trade receivables which generally have 30-60 day terms are carried at original invoice amount, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Group will not be able to collect the receivable.

Financial difficulties of the debtor and / or default payments are considered objective evidence of impairment.

l) Inventories

Inventories include database licences and are stated at the lower of cost and net realisable value.

Cost comprises direct materials and related transportation costs in bringing each product to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

m) Investments in controlled entities

Shares in controlled entities are measured at cost less any impairment losses.

n) Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, where applicable.

The carrying amount of plant and equipment is reviewed for impairment annually for events or changes in circumstances that indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Depreciation

The depreciable amount of computer hardware, office equipment and furniture and fixtures are depreciated on a diminishing value basis over their estimated useful lives commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated on a diminishing value basis over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Computer hardware	10%-60%
Office Equipment	10%-60%
Furniture and Fixtures	10%-60%
Leased plant and equipment	40%-50%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted (if appropriate), at each financial year end.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount. Gains or losses are recognised in the statement of profit or loss and other comprehensive income.

All repairs and maintenance are recognised in the statement of profit or loss and other comprehensive income as incurred.

De-recognition

An item of property, plant and equipment is de-recognised upon sale, disposal or when no further future economic benefits are expected from its use or disposal.

o) Goodwill and intangibles

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at the amount recognised at acquisition date less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill is not amortised but is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Impairment is determined by assessing the recoverable amount of the cash generating unit to which the goodwill relates.

When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Impairment losses recognised for goodwill are not subsequently reversed.

Intangibles

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of profit or loss and other comprehensive income in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is accounted for as a change in accounting estimate.

The intangible assets amortisation methods, useful lives, and residual values are reviewed and adjusted (if appropriate) at each financial year end.

Licences

Licences are initially brought to account at cost of acquisition and are amortised over the period in which their benefits are expected to be realised. The balances are reviewed annually and any balance representing future benefits for which realisation is no longer probable, are written off. Licences are amortised on a straight-line basis over the period of its useful life of 3 years. Amortisation commences from the time of the first binding contract to sell the product is signed.

Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense when incurred.

Capitalised development costs recorded as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life of 3 years.

Capitalised development costs are carried at cost less accumulated amortisation less impairments. The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period. Impairment is determined when the expected discounted future cash flows (recoverable amount) is less than its carrying value. Impairment is recognised as soon as it is determined.

Customer relationships

Customer relationships have finite useful lives and are amortised over a 3 year period and this expense is taken to the statement of profit or loss and other comprehensive income.

ConSova Corporation's customer relationships have finite useful lives and are amortised over a 3 year period and this expense is taken to the statement of profit or loss and other comprehensive income. If the asset is impaired, a reassessment of the useful life will occur

Software and development costs

Software predominantly represents cost of development of Medtech Evolution and is amortised over 3 years from the time the software becomes commercially available.

Capitalised development costs are carried at cost less accumulated amortisation less impairments. The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period. Impairment is determined when the expected discounted future cash flows (recoverable amount) is less than its carrying value. Impairment is recognised as soon as it is determined.

p) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

q) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value, less directly attributable transaction costs incurred. Interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

Interest bearing loans and borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Borrowing costs are recognised as an expense when incurred. The Group does not currently hold qualifying assets but if it did, the borrowing costs directly associated with this asset would be capitalised (including any other associated costs directly attributable to the borrowing).

r) Deferred Revenue

Annual maintenance fees are charged against customers, except if customers pay in advance of more than one year. Maintenance fees are deferred and recognised as income in the statement of profit or loss and other comprehensive income on a straight line basis over the contractual period.

s) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Wages, salaries, and sick leave

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

Long service leave and annual leave

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

t) Contributed equity

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

If the entity reacquires its own equity instruments, for example, as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the statement of profit or loss and other comprehensive income and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

u) Dividends

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

v) Earnings per share

Basic Loss / Earnings per share

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

Diluted loss / 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.

w) Goods and Services Tax (GST)

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

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the taxation authority is presented as an operating cash flow.

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

x) Comparative figures

When required by Accounting Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

y) New accounting standards and interpretations

The accounting policies adopted in the preparation of the Group's annual consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2015, except for the adoption of new standards and interpretation noted below:

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 2014-1 Part A - Annual Improvements 2010–2012 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2010– 2012 Cycle	AASB 2014-1 Part A: This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle. Annual Improvements to IFRSs 2010–2012 Cycle addresses the following items: • AASB 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'. • AASB 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to AASB 137. • AASB 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets. • AASB 116 & AASB 138 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts. • AASB 124 - Defines a management entity providing KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph 17 of AASB 124 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed.	1 July 2014	1 April 2015
AASB 2014-1 Part A - Annual Improvements 2011–2013 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2011– 2013 Cycle	Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items: • AASB13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132. • AASB 140 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of AASB 3 that includes an investment property. That judgment is based on guidance in AASB 3.	1 July 2014	1 April 2015

Adoption of these standards did not have any material effect on the financial position or performance of the Group.

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2016 reporting period. The Group's assessment of the impact of these new standards and interpretations is that they have no material impact for financial reporting purposes apart from AASB 15 where the impact is still being assessed. These are detailed in the table below:

Reference	**Title**	**Summary**	**Application date of standard**	**Application date for Group**
AASB 9	*Financial Instruments*	AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised. The Standard also requires to recognise full lifetime expected losses on a more timely basis. Amendments to AASB 9 (December 2009 & 2010 editions) (AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: ► The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ► The remaining change is presented in profit or loss AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an	1 January 2018	1 April 2018

Reference	Title	Summary	Application date of standard	Application date for Group
		entity's own credit risk on such liabilities are no longer recognised in profit or loss. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E. AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014. AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.		
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.	1 January 2016	1 April 2016
AASB 15	Revenue from Contracts with Customers	In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*, which replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related Interpretations (IFRIC *13 Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate,* IFRIC 18 *Transfers of Assets from Customers* and SIC-31 *Revenue— Barter Transactions Involving Advertising Services*). The core principle of IFRS 15 is that an entity recognises 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. An entity recognises revenue in accordance with that core principle by applying the following steps: a. Step 1: Identify the contract(s) with a customer b. Step 2: Identify the performance obligations in the contract c. Step 3: Determine the transaction price d. Step 4: Allocate the transaction price to the performance obligations in the contract e. Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation Early application of this standard is permitted. AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.	1 January 2017	1 April 2017 The Group is currently evaluating the impact of the new standard.
AASB 2015-1	Amendments to Australian Accounting	The subjects of the principal amendments to the Standards are set out below:	1 January 2016	1 April 2016

Reference	Title	Summary	Application date of standard	Application date for Group
	Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	AASB 7 Financial Instruments: Disclosures: ► Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. ► Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. AASB 119 Employee Benefits: ► Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 Interim Financial Reporting: ► Disclosure of information 'elsewhere in the interim financial report' -amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.		
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 April 2016
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 April 2016
AASB 16	Leases	The key features of AASB 16 are as follows: Lessee accounting • Lessees are required to recognise assets and liabilities for all assets with a term more than 12 months, unless the underlying asset is of low value. • A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. • Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including	1 January 2019	1 April 2019

Reference	Title	Summary	Application date of standard	Application date for Group
		inflation linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. • AASB 16 contains disclosure requirements for lessees. Lessor accounting • AASB 16 substantially carries forward the lessor accounting requirements in AASB117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about lessor's risk exposure, particularly to residual value risk. AASB 16 supersedes: (a) AASB 117 leases (b) Interpretation 4 Determining whether an Arrangement contains a Lease (c) SIC-15 Operating Leases – Incentives (d) SIC-27 Evaluation the Substance of Transactions Involving the Legal Form of a Lease The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 Revenue from Contracts with Customers, has been applied, or is applied at the same date as AASB 16.		
2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses	This Standard amends AASB 112 Income Taxes (July 2004) and AASB 112 Income Taxes (August 2015) to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.	1 January 2017	1 April 2017
2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.	1 January 2017	1 April 2017

The Group has not elected to early adopt any new or amended Standards or Interpretations that are issued but not yet effective, as described above.

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are based on past performance and management's expectation for the future.

The Group makes certain estimates and assumptions concerning the future, which, by definition, will seldom represent actual results. The estimates and assumptions that have a significant inherent risk in respect of estimates based on future events which could have a material impact on the assets and liabilities in the next financial year are discussed below:

(a) Estimated impairment of goodwill / intangibles

Goodwill and intangible assets are allocated to cash-generating units (CGU's) according to applicable business operations. The recoverable amount of a CGU is based on value-in-use calculations. These calculations are based on projected cash flows approved by management covering a period not exceeding five years. Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. Refer to note 14 for further details of the assumptions used.

(b) Development costs of Evolution 2.0

The majority of development costs included as intangible assets in the statement of financial position relates to Evolution 2.0. Evolution 2.0 has successfully completed beta testing phase and has been released to market. The Group has started amortising Evolution 2.0 over 3 years from 1st April 2014. This period of 3 years is determined by management based on its past experience and market conditions for companies in the software industry.

(c) Development costs of internally developed software at ConSova

Development costs of internally developed software were capitalised in the books of ConSova Corporation. This software will help to reduce operating costs through operational efficiency, reduction of processing time and have a potential to increase revenue. The group follows the policy of amortising these intangibles over 3 years from the date when they were put to use. This period of 3 years is determined by management based on its past experience and market conditions for companies in the software industry.

(d) Estimation of useful lives of intangible assets

The determination of useful lives of finite life intangible assets is based upon the period over which the finite life intangible asset is expected to generate cash flows. Given the current trend, impairment charge recorded in FY14 and dynamics of the market and technology environment, the Board believed that the estimate of useful life used for the amortisation needed to be changed. As a result, the amortisation period for customer relationships and software development costs changed to 3 years during the previous year.

The main factors that were considered included the following:

1. The speed at which new technologies and new products enter the market place means that each of our customers has a plethora of possible solutions that they can consider. Furthermore the introduction of Evolution into our major market in New Zealand may be perceived as a threat as the transition might prompt our customers to consider other competitive alternatives.

2. There is a trend of restructure amongst our traditional customers into larger groups. If this trend continues then there will be redefinition of the type of customers we will have to cater to and acquire. Health Management organizations are now being formed in New Zealand / Australia where there is group procurement.

3. Customers are now more discerning and engaged and employ a large variety of tools to ensure that they are making better choices. Convenience, choice, access, and affordability have become the new mantra. This trend has the potential to fundamentally alter how we interact with our customers to deliver care and manage health while keeping costs down.

4. Providers and consumers are increasingly adopting mobile health technologies.

5. Social, mobile, analytics, and cloud technologies are creating new business models.

It was after considering the above factors as well as comparable companies amortisation rates within the industry that the change was made.

(e) Revenue recognition on software development and installation contracts

Revenue from software contracts is recognised when milestones and / or specific deliverables are met. The milestones and / or specific deliverables generally mirror the software development life cycle. Management exercises judgement in matching the software development life cycle as closely as possible to clients' requirements.

(f) Income taxes

Income tax benefits are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTE 3: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of cash and short-term deposits with banks, accounts receivable and payable. The main purpose of non-derivative financial instruments is to raise finance for Group operations.

The Group does not have any derivative instruments.

The board reviews and agrees policies for each of these risks as summarised below.

Interest rate risk

At balance date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated in cash flow hedges:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Financial Assets		
Interest bearing deposits	761,155	901,269
Net Exposure	**761,155**	**901,269**

The above does not include borrowings amounting to $ 2,249,293 (2015: $ 1,006,518).

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group's policy is to maintain a minimum of between 40-50% of its borrowings at fixed rates which are carried at amortised cost and it is acknowledged that fair value exposure is a by-product of the Group's attempt to manage its cash flow volatility arising from interest rate changes. Given the economic environment, the Group has 86% (2015: 100%) of its borrowings at fixed rates.

The Group constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing, and the mix of fixed and variable interest rates.

	EFFECT ON PROFIT BEFORE TAX: INCREASE / (DECREASE)		EFFECT ON EQUITY: INCREASE / (DECREASE)	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Consolidated entity				
+0.50% (50 basis points)	(3,983)	585	(2,788)	409
-0.50% (50 basis points)	3,983	(585)	2,788	(409)

Interest rate risk sensitivity analysis

The above table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate cash and borrowings). The same assumptions have been used for the years ended 2016 and 2015.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group has significant operations in New Zealand and the United States and the Group's statement of financial position can be affected by movements in the NZD/AUD and USD/AUD exchange rates.

The Group has minimal transactional currency exposures. The transactions represent periodic maintenance and support charges. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency. As at 31 March 2016, the Group's exposure to foreign currency trade receivables that is not designated in cash flow hedges amounted to:

NOTE 3: FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign currency risk (cont'd)

United States Dollars:	AUD 11,667	(2015: AUD 12,861)
Euros:	AUD 6,796	(2015: AUD 56,580)
GBP:	AUD 37,474	(2015: AUD Nil)
Canadian Dollars:	AUD Nil	(2015: AUD 5,256)

At 31 March 2016, the Group had no significant committed foreign currency purchases.

Currency risk sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in US Dollar, Euros, British Pounds and Canadian Dollar with all other variables held constant, of the Group's profit before tax (due to changes in the value of monetary assets and liabilities not held in the entities' functional currency, assuming year end levels of such items are held constant), and of the Group's equity due to changes in value of year end net assets held by non-AUD functional currency entities.

	EFFECT ON PROFIT BEFORE TAX: INCREASE / (DECREASE)		OTHER COMPREHENSIVE INCOME: INCREASE / (DECREASE)	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Consolidated Entity				
+2% AUD to USD (2015:+2%)	(229)	(252)	-	-
-2% AUD to USD (2015:-2%)	238	262	-	-
+2% AUD to Euro (2015:+2%)	(133)	(1,109)	-	-
-2% AUD to Euro (2015:-2%)	139	1,155	-	-
+2% AUD to GBP (2015:+2%)	(735)	-	-	-
-2% AUD to GBP (2015:-2%)	765	-	-	-
+2% AUD to CAD (2015:+2%)	-	(103)	-	-
-2% AUD to CAD (2015:-2%)	-	107	-	-
+2% AUD to NZD (2015:+2%)	-	-	-	-
-2% AUD to NZD (2015:-2%)	-	-	-	-

Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and its subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due. The Group manages liquidity risk by forecasting and monitoring cash flows on a continuing basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and intercompany loans.

The Group's policy is that no more than 60% of borrowings should mature in any 12 month period. At 31 March 2016, 40% (2015: 57%) of the Group's debt will mature in less than one year.

The table below reflects all contractually fixed pay-offs and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities. The respective undiscounted cash flows for the respective upcoming fiscal years for other obligations are presented.

The remaining contractual maturity of the Group's / consolidated entity's financial liabilities (interest bearing loans and borrowings, trade, other payables and provisions) are:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
6 months or less	4,199,263	3,886,932
+6-12 months	299,026	157,932
+1-5 years	1,348,500	433,310
Over 5 years	-	-
	5,846,789	**4,478,174**

The maturity analysis of financial assets / liabilities based on management's expectations is shown in the table below.

The risk implied from the values shown in the table below reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in ongoing operations such as property, plant, equipment and investments in working capital (e.g. trade receivables).

NOTE 3: FINANCIAL RISK MANAGEMENT (CONT'D)

YEAR ENDED 31 MAR 2016	NOTE	≤ 6 MONTHS $	6-12 MONTHS $	1-5 YEARS $	> 5 YEARS $	TOTAL $
Consolidated Entity						
Financial Assets						
Cash & cash equivalents	9	1,544,698	-	-	-	1,544,698
Trade & other receivables	10	2,451,142	-	-	-	2,451,142
		3,995,840	**-**	**-**	**-**	**3,995,840**
Consolidated Entity						
Financial Liabilities						
Trade, other payables & provisions	16 & 18	(3,597,496)	-	-	-	(3,597,496)
Interest bearing loans & borrowings	17	(601,767)	(299,026)	(1,348,500)	-	(2,249,293)
		(4,199,263)	**(299,026)**	**(1,348,500)**	**-**	**(5,846,789)**
Net maturity		**(203,423)**	**(299,026)**	**(1,348,500)**	**-**	**(1,850,949)**

YEAR ENDED 31 MAR 2015	NOTE	≤ 6 MONTHS $	6-12 MONTHS $	1-5 YEARS $	> 5 YEARS $	TOTAL $
Consolidated Entity						
Financial Assets						
Cash & cash equivalents	9	1,247,010	-	-	-	1,247,010
Trade & other receivables	10	2,599,619	-	-	-	2,599,619
		3,846,629	**-**	**-**	**-**	**3,846,629**
Consolidated Entity						
Financial Liabilities						
Trade, other payables & provisions	16 & 18	(3,471,656)	-	-	-	(3,471,656)
Interest bearing loans & borrowings	17	(415,276)	(157,932)	(433,310)	-	(1,006,518)
		(3,886,932)	**(157,932)**	**(433,310)**	**-**	**(4,478,174)**
Net maturity		**(40,303)**	**(157,932)**	**(433,310)**	**-**	**(631,545)**

Fair value

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

Credit risk

Credit risk arises from the financial assets of the Group, which comprises cash and cash equivalents and trade and other receivables. The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount net of any allowances for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. Exposure at reporting date is addressed in each applicable note.

The Group trades only with recognised, creditworthy third parties and as such, collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant as a percentage of sales.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without specific approval from management.

NOTE 4: REVENUE

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
Sale of services	19,795,006	17,606,632
Sale of kiosk	5,252	-
Interest income	17,318	25,060
Other income	19,316	16,760
Total revenue	**19,836,892**	**17,648,452**

NOTE 5: EXPENSES

		CONSOLIDATED ENTITY	
		2016	2015
	NOTE	$	$
(a) Finance costs:			
Finance costs on borrowings		87,250	68,494
Total finance costs		**87,250**	**68,494**
(b) Depreciation, amortisation, and impairment:			
Depreciation			
On leasehold improvements	13	13,129	9,799
On computer hardware	13	417,286	487,820
On office equipment	13	51,529	54,384
On furniture and fixtures	13	12,169	8,534
Total depreciation		**494,113**	**560,537**
Impairment of intangible assets			
On goodwill	14	29,660	72,325
Total Impairment		**29,660**	**72,325**
Amortisation of intangible assets			
On capitalised development costs	14	1,555,508	1,204,559
On customer relations	14	1,364,632	1,461,080
On trademarks and licenses	14	6,737	8,122
Total Amortisation		**2,926,877**	**2,673,761**
Total depreciation, amortisation, and impairment		**3,450,650**	**3,306,623**
(c) Employee benefits expenses:			
Direct staff benefits		8,208,154	7,295,537
Defined contribution plans		247,310	212,113
Other staff related expenses		468,141	366,466
Total employee benefits expenses		**8,923,605**	**7,874,116**
(d) Expense on operating leases:			
Lease payments		822,096	861,986
Total expense on operating leases		**822,096**	**861,986**
(e) Research and Development expenses:			
Research and Development expenses		1,027,221	1,132,137
Total Research and Development expenses		**1,027,221**	**1,132,137**

NOTE 6: INCOME TAX EXPENSE

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
a) The components of income tax expense comprise:		
Current tax	(74,925)	336,550
Adjustments in respect of current income tax of previous years	(111,079)	288,723
Relating to origination and reversal of timing differences including brought forward tax losses	351,213	(465,921)
	165,209	**159,352**
b) Numerical reconciliation between aggregate tax expense recognised in Comprehensive Income tax expense calculated per statutory income tax rate:		
Profit / (loss) from operations	(2,159,916)	(1,840,426)
Prima facie tax @ 30% on loss from ordinary activities before income tax	(647,975)	(552,128)
Adjust: tax effects of permanent differences arising from:		
Legal fees	-	24,076
Entertainment	181	-
Fines and penalties	140	137
Impairment of intangibles	8,898	21,698
Amortisation of intangibles	409,390	438,324
ASX fees and annual report expenses	-	7,574
Unrealised forex gains and losses	-	(59,332)
Deferred Tax asset not created on losses/ deferred tax asset reversed	416,223	-
R&D tax credit	169,491	64,225
Effect of different tax rate in foreign jurisdiction - New Zealand (28%), India (31%), USA (39%)	(65,592)	(53,422)
Adjustments in respect of current income tax of previous years	(111,079)	288,723
Other	(14,468)	(20,523)
Income Tax Expenses reported in the consolidated statement of profit or loss and other comprehensive income	**165,209**	**159,352**
c) Recognised deferred tax assets and liabilities:		
Opening balance	624,290	132,769
Net Credited / (charged) to profit or loss	(351,213)	465,921
Impact of exchange rate fluctuation	(2,865)	25,600
Closing balance	**270,212**	**624,290**
Gross Deferred Tax Asset	444,189	810,609
Gross Deferred Tax Liability	(173,977)	(186,319)
	270,212	**624,290**
Deferred Tax Asset		
Depreciation	233,340	233,340
Prepaid revenue	617,891	798,120
Employee provisions	184,414	187,112
Debt provisions	86,427	367,782
Foreign currency gains & losses	(202,017)	(35,591)
Brought forward loss	555,252	964,979
Total Temporary Differences	1,475,307	2,515,742
Deferred Tax Asset	**444,189**	**810,609**
Deferred Tax Liabilities		
Depreciation	(454,611)	(465,237)
Identifiable intangibles	-	(48,224)
Total Temporary Differences	(454,611)	(513,461)
Deferred Tax Liabilities	**(173,977)**	**(186,319)**

NOTE 6: INCOME TAX EXPENSE (CONT'D)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The assessment of the probability of future taxable profit in which deferred tax assets can be utilised is based on the latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. With ConSova these losses can be used against tax previously paid. The tax rules in the various jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Tax consolidation

(i) Members of the tax consolidated group and the tax sharing arrangement

The Group's New Zealand based entities Medtech Ltd & MGL Capital Ltd have formed the only tax consolidated group within the business. The tax consolidated group is effective from 1 June 2008. MGL Capital Ltd is the head entity of this tax consolidated group. Under the New Zealand tax rules the members of the tax consolidated group assume income tax liabilities of the tax consolidated group should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

(ii) Tax effect accounting by members of the tax consolidated group

All entities within the Group continue to account for their own current and deferred tax amounts in relation to unused tax losses and timing differences. The current and deferred tax amounts are measured in a systematic manner that is consistent with the broad principles in AASB 112 Income Taxes.

Movements in the tax receivable/ (provision) were as follows:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
At 1 April	290,306	(101,067)
Current tax	(74,925)	336,550
Adjustments in respect of current income tax of previous years	(111,079)	288,723
Taxes paid during the year (net of refund and R&D tax credit)	367,434	(236,433)
Impact of exchange rate fluctuation	89,875	2,533
At 31 March	**561,611**	**290,306**

NOTE 7: AUDITOR'S REMUNERATION

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Audit Services		
Auditor of the consolidated entity:		
Pitcher Partners	101,363	-
Ernst & Young	-	149,809
Other auditors of subsidiaries:		
V. Narayanan & Co.	936	844
Haynie & Company	17,817	14,346
	120,116	**164,999**
Non-Audit Services		
Ernst & Young - Taxation & other services	76,732	61,092
Other auditors of subsidiaries:		
V. Narayanan & Co.	224	202
Haynie & Company	3,128	1,951
	80,084	**63,245**

NOTE 8: EARNINGS / (LOSS) PER SHARE

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Earnings / (losses) used in calculating earnings / (losses) per share:		
For basic earnings / (loss) per share:		
Net profit / (loss) from operations attributable to ordinary equity holders	(2,325,125)	(1,999,778)
Net losses used to calculate basic EPS	(2,325,125)	(1,999,778)
Basic earnings / (loss) per share	(2.32) cents	(1.99) cents

There are no dilutive instruments, therefore diluted earnings / (loss) per share is the same as basic earnings / (loss) per share.

	No. of Shares	**No. of Shares**
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	100,248,061	100,248,061

NOTE 9: CASH AND CASH EQUIVALENTS

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Cash at bank and in hand	783,543	345,741
Short-term bank deposits	761,155	901,269
	1,544,698	**1,247,010**

The effective interest rate on short-term deposits was 2.08% (2015: 2.95%) and these deposits have an average maturity of 90 days.

Refer note 25(a) for reconciliation of net profit after tax to net cash flow from operations.

NOTE 10: TRADE AND OTHER RECEIVABLES

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Trade receivables	2,537,569	2,967,401
Allowance for impairment of receivables	(86,427)	(367,782)
	2,451,142	**2,599,619**

(a) Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30-60 day terms. An allowance for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. The impairment loss written back during the year is $ 67,929 (2015: Impairment loss recorded was $ 316,157). These amounts have been included in the statement of profit or loss and other comprehensive income.

Movements in the allowance for impairment loss were as follows:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
At 1 April	367,782	58,624
Provision utilised during the year	(210,520)	-
Amounts written back / recovered	(67,929)	-
Charge for the year (refer note 28)	-	316,157
Impact of exchange rate fluctuation	(2,906)	(6,999)
At 31 March	**86,427**	**367,782**

At 31 March, the ageing analysis of the allowance for impairment loss is as follows:

CONSOLIDATED ENTITY	TOTAL	< 30 DAYS	31-60 DAYS	61-90 DAYS	+91 DAYS
2016	86,427	-	5,898	4,953	75,576
2015	367,782	-	8,647	9,279	349,856

At 31 March, the ageing analysis of trade receivables is as follows:

CONSOLIDATED ENTITY	TOTAL	< 30 DAYS	31-60 DAYS	61-90 DAYS	+91 DAYS
2016	2,451,142	1,988,999	164,288	49,617	248,238
2015	2,599,619	2,125,736	190,974	89,605	193,304

The balances past due as at the reporting date but not impaired, are expected to be received based on continuation of normal business subsequent to year end" and/or "negotiations subsequent to year end.

At the reporting date, the directors have reviewed the carrying value of trade receivables to determine whether there is any indication that those assets have been impaired.

(b) Fair value and credit risk

Due to the short term nature of these receivables, their carrying amounts are a reasonable approximation of their fair value.

The maximum exposure to credit risk is the carrying amount of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

(c) Foreign exchange and interest rate risk

Details regarding foreign exchange and interest rate risk exposure are disclosed in note 3.

NOTE 11: INVENTORIES

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
Kiosk	52,043	4,241
VitelMed equipment and other	-	1,329
	52,043	**5,570**

NOTE 12: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%) 2016	2015
Parent Entity			
Medtech Global Ltd	Australia		
Subsidiaries of Medtech Global Ltd			
AHTL Pty Ltd	Australia	100	100
Medtech Healthcare Pty Ltd	Australia	100	100
Medtech Limited	New Zealand	100	100
Manage My Health Pty Ltd	Australia	100	100
VitelMed Pty Limited	Australia	100	100
Compudoc Medical Pty Limited	Australia	100	100
DGS Artslet Pty Limited	Australia	100	100
MGL Capital Ltd	New Zealand	100	100
VitelMed Limited	New Zealand	100	100
Medtech Global Limited (NZ)	New Zealand	100	100
Medtech India Pvt Limited	India	100	100
Medtech Holdings USA, Inc.	USA	100	100
Medtech Global USA, LLC	USA	85	85
ConSova Corporation	USA	100	50.1
Manage My Health Global Pte. Ltd	Singapore	100	-

All entities within the Medtech Global Ltd Group, except Medtech Global USA, LLC, remain 100% owned by Medtech Global Ltd. As at the date of this report, Medtech Holdings USA, Inc. (a 100% Medtech Global Ltd-owned entity) owns 85% (2015: 85%) of Medtech Global USA, LLC.

Medtech Holdings USA Inc. a wholly owned subsidiary of Medtech Global Limited has on the 31st October 2015 purchased all the non-controlling interests (49.9%) in Consova Corporation and in doing so has 100% ownership of the US based ConSova Corporation.

Manage My Health Global Pte. Ltd was incorporated on 5th November 2015 as a wholly owned subsidiary of Medtech Global Limited with an initial subscribed capital of one Singapore dollar.

There have been no other changes to the composition of the consolidated entity during the year.

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
Leasehold Improvements		
At cost	67,514	67,695
Accumulated depreciation	(26,949)	(14,530)
Net carrying value	**40,565**	**53,165**
Computer Hardware		
At cost	2,487,232	2,509,876
Accumulated depreciation	(1,921,425)	(1,602,715)
Net carrying value	**565,807**	**907,161**
Office Equipment		
At cost	421,038	421,068
Accumulated depreciation	(295,171)	(252,135)
Net carrying value	**125,867**	**168,933**
Furniture and Fixtures		
At cost	116,244	112,804
Accumulated depreciation	(64,269)	(54,566)
Net carrying value	**51,975**	**58,238**
Balance at the end of year	**784,214**	**1,187,497**

(a) Movements in Carrying Amounts

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	LEASEHOLD IMPROVEMENTS	COMPUTER HARDWARE	OFFICE EQUIPMENT	FURNITURE & FIXTURES	TOTAL
	$	$	$	$	$
Consolidated Entity					
Year Ended 31 March 2015					
Balance at the beginning of year	39,563	371,689	169,013	42,745	623,010
Additions / (Disposals)	18,501	1,031,071	39,406	23,829	1,112,807
Depreciation expense	(9,799)	(487,820)	(54,384)	(8,534)	(560,537)
FCTR	4,900	(7,779)	14,898	198	12,217
Carrying Amount 31 March 2015	**53,165**	**907,161**	**168,933**	**58,238**	**1,187,497**
Year Ended 31 March 2016					
Balance at the beginning of year	53,165	907,161	168,933	58,238	1,187,497
Additions / (Disposals)	-	116,749	9,173	9,476	135,398
Depreciation expense	(13,129)	(417,286)	(51,529)	(12,169)	(494,113)
FCTR	529	(40,817)	(710)	(3,570)	(44,568)
Carrying Amount 31 March 2016	**40,565**	**565,807**	**125,867**	**51,975**	**784,214**

NOTE 14: INTANGIBLE ASSETS

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
Goodwill		
Cost	2,059,207	2,059,207
Accumulated impairment losses	(2,048,355)	(2,018,695)
Net carrying value	**10,852**	**40,512**
Customer Relationships		
Cost	12,652,130	12,652,130
Accumulated amortisation and impairment losses	(11,335,722)	(9,971,090)
Net carrying value	**1,316,408**	**2,681,040**
Development costs		
Cost	6,583,561	6,512,116
Accumulated amortisation and impairment losses	(5,365,618)	(3,805,071)
Impact of exchange rate fluctuation	10,608	(5,039)
Net carrying value	**1,228,551**	**2,702,006**
Trademarks and Licenses		
Cost	6,502,365	6,502,365
Accumulated amortisation and impairment losses	(6,496,218)	(6,491,481)
Impact of exchange rate fluctuation	313	2,000
Net carrying value	**6,460**	**12,884**
Total Intangible Assets	**2,562,271**	**5,436,442**

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the financial year.

	OPENING BALANCE	ADDITIONS	AMORTISATION	IMPAIRMENT	FCTR*	CLOSING BALANCE
	$	$	$	$	$	$
Year ended 31 March 2016						
Goodwill	40,512	-	-	(29,660)	-	10,852
Customer relationships	2,681,040	-	(1,364,632)	-	-	1,316,408
Development costs	2,702,006	71,445	(1,555,508)	-	10,608	1,228,551
Trademarks & Licenses	12,884	-	(6,737)	-	313	6,460
	5,436,442	**71,445**	**(2,926,877)**	**(29,660)**	**10,921**	**2,562,271**

* Impact of exchange rate fluctuation

NOTE 14: INTANGIBLE ASSETS (CONT'D)

	OPENING BALANCE $	ADDITIONS $	AMORTISATION $	IMPAIRMENT $	FCTR* $	CLOSING BALANCE $
Year ended 31 March 2015						
Goodwill	112,837	-	-	(72,325)	-	40,512
Customer relationships	4,142,120	-	(1,461,080)	-	-	2,681,040
Development costs	3,500,102	411,502	(1,204,559)	-	(5,039)	2,702,006
Trademarks & Licenses	19,006	-	(8,122)	-	2,000	12,884
	7,774,065	**411,502**	**(2,673,761)**	**(72,325)**	**(3,039)**	**5,436,442**

(a) Intangible assets, other than Goodwill, have a finite life. Refer note 2

(b) Customer relationships are continuing to be amortised over a 3 year period. The remaining amortisation period is 1 year except for Consova which has been fully amortised.

(c) Where the asset is available for use, development costs are amortised over 3 years and are charged as an amortisation expense to the statement of profit or loss and other comprehensive income.

(d) For further information on the accounting policy and treatment of goodwill / intangibles refer to note 1(o) and note 2.

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Intangible assets with indefinite useful lives:		
Goodwill	10,852	40,512

Impairment Disclosures

Intangible assets are subject to impairment. Goodwill, customer relationships and development costs are allocated to cash-generating units.

	CASH GENERATING UNITS - 2016			CONSOLIDATED ENTITY	
	Australia	**New Zealand**	**U.S.A**	**2016**	**2015**
	$	**$**	**$**	**$**	**$**
Goodwill	10,852	-	-	10,852	40,512
Customer relationships	297,352	1,019,056	-	1,316,408	2,681,040
Development costs	328,562	838,138	61,851	1,228,551	2,702,006
Trademarks & Licenses	-	-	6,460	6,460	12,884
Total	**636,766**	**1,857,194**	**68,311**	**2,562,271**	**5,436,442**

Goodwill, customer relationships and other intangible assets

Impairment testing was performed in respect of intangible assets using a discounted cash flow model. Based on such testing, impairment of goodwill amounting to $ 29,660 was recorded in the books (2015: $ 72,325). No impairment was triggered for any other intangible.

The recoverable amounts of the Australian, New Zealand and the US cash generating units have been determined based on a value-in-use calculation using budget cash flow projections as at 31 March based on financial budgets approved by the board covering a one year period which is then extrapolated over a five year period. The growth assumptions over the five year projections and discount rates for each cash-generating unit are determined using historical performance, expectations of macro-economic factors and expectations of the Board of Directors.

NOTE 14: INTANGIBLE ASSETS (CONT'D)

A value-in-use model was created to determine value-in-use, which was based on management's most recent cash flow forecasts over five years, using a terminal growth rate of 3% which was based on management's long term expectations and a discount rate of 16% (2015: 16%) for New Zealand and 15% (2015: 15%) for Australia. The discount rate considered is the weighted average cost of capital based on the expected debt equity ratio. The risk free rates used in the calculation of weighted average cost of capital were lower by 0.24% for New Zealand and higher by 0.31% for Australia. The impact of this change has been assessed through a sensitivity analysis as explained below.

Sensitivity to changes in assumptions

Considering the headroom available and the remaining amortisation period of 1 year, any reasonably possible change to the assumptions of discount rate and / or growth rate will not cause impairment.

Goodwill is not subject to amortisation and is allocated to cash-generating units which are based on the Group's reporting segments for impairment testing. The cash-generating units are Australia, New Zealand and the US. These allocations are determined on a geographical component as units are subject to risk and returns different to other economic environments, and on aggregated operating units determined by the similarity of the products sold.

NOTE 15: OTHER CURRENT ASSETS

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Prepayments & other debtors	418,322	63,292
Grant receivable	-	60,000
Deferred expenditure	101,334	127,327
	519,656	**250,619**

NOTE 16: TRADE AND OTHER PAYABLES

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Unsecured liabilities:		
Trade payables	2,087,876	1,882,130
Other payables and accrued expenses	924,674	1,211,686
	3,012,550	**3,093,816**

(a) Fair Value

Due to the short term nature of these payables, their carrying amounts are a reasonable approximation of their fair value.

(b) Related party payables

Amounts payable to related parties are non-interest bearing. (Refer Note 27 for amounts payable to related parties at reporting date)

(c) Interest rate, foreign exchange and liquidity risk

Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in note 3.

NOTE 16: TRADE AND OTHER PAYABLES (CONT'D)

(d) Deferred Revenue

Deferred revenue represents revenue that has not yet been earned, but was invoiced to customers in accordance with contractual agreements.

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
CURRENT		
Deferred Revenue	899,881	1,109,056
NON-CURRENT		
Deferred Revenue	-	-
	899,881	**1,109,056**

NOTE 17: INTEREST BEARING LOANS AND BORROWINGS

		CONSOLIDATED ENTITY	
		2016	2015
	NOTE	$	$
CURRENT			
Borrowings		900,793	573,208
		900,793	**573,208**
NON-CURRENT			
Borrowings		1,348,500	433,310
		1,348,500	**433,310**
Total current and non-current interest bearing loans & borrowings		**2,249,293**	**1,006,518**

(a) Fair values

The carrying amounts of the Group's current and non-current borrowings are a reasonable approximation of their fair values.

(b) Interest rate, foreign exchange and liquidity risk

Details regarding interest rate, foreign exchange and liquidity risk are disclosed in note 3.

(c) Defaults and breaches

During the current and prior years, there were no defaults or breaches on any of the loans and borrowings.

(d) Securities

The borrowing of $1,305,586 (2015: 586,027) from Bank of New Zealand is secured by way of a perfected security interest on the IT equipments purchased using the said borrowing, a general security interest on present and after acquired property including personal property in which the Company has current and future rights and an unlimited guarantee from Medtech Global Limited, the parent company, covering all obligations.
The borrowing of Nil (2015: 260,080) from Great Western bank was secured by all assets of ConSova Corporation.

(e) The Unused facilities:

The unused facilities include overdraft facility of $ 82,442 (2015: $ 489,000) from Bank of New Zealand, customised loan facility of $ 450,938 (2015: $ 979,000) from Bank of New Zealand and a line of credit of $ Nil (2015: $ 390,000) from Great Western Bank, USA. Interest rate would depend on rates applicable at the time of drawdown.

(f) Related party payables

Details regarding interest rate and repayment terms for amounts payable to related parties at reporting date are disclosed in note 27 (g).

NOTE 18: PROVISIONS

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Employee entitlements	584,946	377,840
	584,946	**377,840**

Movements in the provision were as follows:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
At 1 April	377,840	506,987
Net movement in wage accruals	182,925	(38,374)
Net movement in holiday pay accruals	24,181	(90,773)
At 31 March	**584,946**	**377,840**

All employee entitlements are expected to be paid within 12 months of balance date.

NOTE 19: CONTRIBUTED EQUITY

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Fully Paid Ordinary Shares:		
Movement in Ordinary Share Capital		
Opening balance 1 April	48,929,120	48,929,120
Shares issued	-	-
Closing balance 31 March	**48,929,120**	**48,929,120**

	No. of Shares	**No. of Shares**
Movement in Number of Shares		
Opening balance 1 April	100,248,061	100,248,061
Shares issued	-	-
Closing balance 31 March	**100,248,061**	**100,248,061**

(a) Terms and conditions of issued capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or party at a meeting of the company.

(b) Capital Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management is constantly adjusting the capital structure to take advantage of favourable costs of capital and high returns on deposits. Due to changing market conditions, management may issue new shares or sell assets to reduce debt. No dividends were paid in the current or previous financial year.

NOTE 19: CONTRIBUTED EQUITY (CONT'D)

Management monitor capital adequacy through the gearing ratio (net debt / total capital). The maximum gearing ratio for the Group is in the range of 50%-75%. The gearing ratios based on operations at 31 March 2016 and 2015 were as follows:

		CONSOLIDATED ENTITY	
		2016	**2015**
	NOTE	**$**	**$**
Total borrowings *	**16 & 17**	5,182,048	4,020,036
Less cash and cash equivalents	**9**	(1,544,698)	(1,247,010)
Net debt		3,637,350	2,773,026
Total equity		1,962,273	5,998,918
Total capital		**5,599,623**	**8,771,944**
Gearing ratio (Net debt/Total Capital)		64.96%	31.61%

* Includes interest bearing loans and borrowings and trade and other payables.

The Group is not subject to any externally imposed capital requirements.

(c) Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record gains and losses on the net investments in foreign operations.

NOTE 20: NON-CONTROLLING INTERESTS

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Contributed equity	293,218	517,352
Non-controlling interest in profit /(loss)	(179,876)	(224,134)
Acquisition of Non-Controlling Interest	(209,393)	-
	(96,051)	**293,218**

[a] Non-controlling interest represents 15% non-controlling interest in Medtech Global USA, LLC as at 31 March 2016. (2015: 15% non-controlling interest in Medtech Global USA, LLC and 49.9% non-controlling Interest in ConSova Corporation).

[b] Medtech Holdings USA Inc. a wholly owned subsidiary of Medtech Global Limited has on the 31st October 2015 purchased all the non-controlling interests (49.9%) in Consova Corporation and in doing so has 100% ownership of the US based ConSova Corporation. **(Refer Note 23 "Acquisition of Non- Controlling Interest in ConSova Corporation" for details.)**

NOTE 21: CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

There were no finance lease commitments in existence at balance date.

(b) Operating Lease Commitments

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- Within one year	722,494	796,511
- After one year but not more than five years	1,396,740	1,679,268
- More than 5 years	-	-
	2,119,234	**2,475,779**

1. There are no contingent rent payable under any of the lease agreements in force.
2. The current lease arrangements do not have any purchase options relating to them but provide for renewal of lease arrangements for such a period of time and on such terms and conditions as mutually agreed on the date of renewal.

(c) Capital Expenditure Commitments

There were no capital expenditure commitments in existence at balance date.

NOTE 22: DIVIDENDS

No dividends have been paid or declared since the beginning of the financial year (2015: Nil).

NOTE 23: ACQUISITION OF NON CONTROLLING INTEREST IN CONSOVA CORPORATION

Medtech Holdings USA Inc. a wholly owned subsidiary of Medtech Global Limited has on the 31st October 2015 purchased all the non-controlling interests (49.9%) in Consova Corporation and in doing so has 100% ownership of US based ConSova Corporation.

The purchase price under the agreement was US$1,300,000 (including contingent consideration of US$80,000 -refer Note 29 for details). Of the total purchase price, US$ 400,000 was paid on the 31st October, 2015. The balance is payable in instalments over 40 months bearing a simple interest of 4.25% per annum.

	Amounts in US$
Purchase Price	1,300,000
Less: Contingent consideration (Note 29)	80,000
Fair Value of consideration	**1,220,000**

	Amounts in AU$
Fair Value of consideration in	1,708,000
Acquisition of Non-Controlling Interest	209,393
Difference	**1,498,607**

The difference of AUD 1,498,607 between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid/ payable has been classified as Acquisition of Non-Controlling Interest Reserve under Equity in the Consolidated Statement of Financial Position.

The balance purchase consideration payable as at 31 March 2016 is $ 943,706.

NOTE 24: SEGMENT REPORTING

(a) Description of segments

Industrial Segments

The economic entity operated primarily in the software development and licensing sector.

Geographical segments

The Group operates in the following geographical areas:
Australia, New Zealand & India, and the United States of America.
These segments operate primarily in software development and licensing of healthcare and e-Business Solutions and the USA segment operates in health care containment services.

YEAR ENDED 31 MAR 2016	**AUSTRALIA**	**NZ & INDIA**	**USA**	**INTER-SEG ELIMINATIONS**	**TOTAL**
	$	**$**	**$**	**$**	**$**
Sales to external customers	2,501,243	12,336,259	4,962,756	-	19,800,258
Revenue from government grant	762,250	-	-	-	762,250
Interest income	1,888	15,378	9,600	(9,548)	17,318
Other revenue	-	70	19,246	-	19,316
Total segment revenue	**3,265,381**	**12,351,707**	**4,991,602**	**(9,548)**	**20,599,142**
Segment EBITDA	**1,302,055**	**520,261**	**(290,342)**	**(171,308)**	**1,360,666**
Impairment of intangibles	(29,660)	-	-	-	(29,660)
Depreciation and amortisation	(2,516,153)	(341,700)	(563,137)	-	(3,420,990)
Interest income	1,888	15,378	9,600	(9,548)	17,318
Interest expense	-	(53,025)	(43,773)	9,548	(87,250)
Income tax expense	(225,930)	(37,422)	83,675	14,468	(165,209)
Segment net profit / (loss) after tax	**(1,467,800)**	**103,492**	**(803,977)**	**(156,840)**	**(2,325,125)**
Segment Assets	**5,360,622**	**5,040,467**	**1,769,052**	**(3,250,317)**	**8,919,824**
Segment Liabilities	**(2,414,654)**	**(2,900,358)**	**(4,892,856)**	**3,250,317**	**(6,957,551)**

YEAR ENDED 31 MAR 2015	**AUSTRALIA**	**NZ & INDIA**	**USA**	**INTER-SEG ELIMINATIONS**	**TOTAL**
	$	**$**	**$**	**$**	**$**
Sales to external customers	2,971,645	10,485,852	4,149,135	-	17,606,632
Revenue from government grant	1,874,515	-	-	-	1,874,515
Interest income	8,378	16,682	-	-	25,060
Other revenue	-	519	16,241	-	16,760
Total segment revenue	**4,854,538**	**10,503,053**	**4,165,376**	**-**	**19,522,967**
Segment EBITDA	**1,624,530**	**533,362**	**(648,261)**	**-**	**1,509,631**
Impairment of intangibles	(72,325)	-	-	-	(72,325)
Depreciation and amortisation	(2,453,544)	(413,805)	(366,949)	-	(3,234,298)
Interest income	8,378	16,682	-	-	25,060
Interest expense	-	(52,170)	(16,324)	-	(68,494)
Income tax expense	(373,007)	(38,704)	179,540	72,819	(159,352)
Segment net profit / (loss) after tax	**(1,265,968)**	**45,365**	**(851,994)**	**72,819**	**(1,999,778)**
Segment Assets	**6,825,154**	**4,669,239**	**2,174,116**	**(1,840,837)**	**11,827,672**
Segment Liabilities	**(2,029,529)**	**(2,694,312)**	**(2,945,751)**	**1,840,837**	**(5,828,755)**

NOTE 24: SEGMENT REPORTING (CONT'D)

(b) Notes to and forming part of the segment information

(i) Accounting policies

Segment information is prepared in conformity with the accounting policies of the entity as disclosed in note 1 and Accounting Standard AASB 8 Operating Segments. EBITDA is the segment profit measure.

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis.

Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment and goodwill and other intangible assets, net of related provisions. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage.

Segment liabilities consist primarily of trade and other creditors, employee benefits and provision for service warranties. Segment assets and liabilities do not include income taxes.

(ii) Major Customers

The Group has a number of customers to which it provides products and services. No single external customer's transactions amount to 10% or more of revenue.

NOTE 25: CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with Result from ordinary activities after Income Tax:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Net profit / (loss) from ordinary activities after income tax	(2,325,125)	(1,999,778)
Non-cash flows in ordinary activities:		
Impairment of intangibles	29,660	72,325
Amortisation of intangibles	2,926,877	2,673,761
Depreciation	494,113	560,537
Changes in assets and liabilities, net of the effects of purchase / disposal of subsidiaries:		
Decrease / (Increase) in Deferred tax	354,078	(491,521)
Decrease / (Increase) in trade & other receivables	148,477	(244,727)
Decrease / (Increase) in other current assets	(269,037)	(94,431)
Decrease / (Increase) in inventories	(46,473)	220,433
Increase / (Decrease) in trade and other payables	(371,978)	327,798
Increase / (Decrease) in current tax liability	(271,305)	(391,373)
Increase / (Decrease) in provisions	207,106	(73,640)
Cash Flows from Operating Activities	**876,393**	**559,384**

(b) Non-cash Financing and Investing Activities
There was no non-cash financing and investing activities during the financial year.

(c) Credit Standby Arrangements with Banks
There were no credit standby arrangements with banks at balance date.

NOTE 26: INFORMATION RELATING TO MEDTECH GLOBAL LTD ("The Parent Entity")

	2016	2015
	$	$
Current Assets	64,796	104,990
Non-Current Assets	15,900,987	16,957,384
Total Assets	**15,965,783**	**17,062,374**
Current Liabilities	(1,954,051)	(3,371,238)
Non-Current Liabilities	-	-
Total Liabilities	**(1,954,051)**	**(3,371,238)**
Contributed Equity	48,929,120	48,929,120
Accumulated Losses	(34,917,388)	(35,237,984)
	14,011,732	**13,691,136**
Profit / (loss) of the parent entity	**320,596**	**4,242,626**
Total comprehensive income / (loss) of the parent entity	**320,596**	**4,242,626**

There are no contingent liabilities relating to the parent company.

NOTE 27: RELATED PARTY DISCLOSURES

Parent entity

Cereus Holdings Ltd (incorporated in New Zealand) is the parent and the ultimate holding entity of the Group.

Subsidiaries

Interests in subsidiaries are disclosed in note 12.

Transactions with related parties

The following transactions also occurred with related parties:

	CONSOLIDATED ENTITY	
	2016	2015
	$	$
Management and administration services		
Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah (a)	1,501,345	1,183,392
Cost on-charges to / (from)		
Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	-	(1,644)
Software services & development		
Inlogic Technologies Pvt Ltd – a company associated with Mr. V. Ramayah (b)	2,496,460	2,508,469
Consulting services		
CRM4Sight Ltd – a company controlled by Mr. S. Samaraweera (c)	313,305	222,234
Ross Tanner Consulting Ltd – a company controlled by Mr. R. Tanner (d)	73,719	54,324
Occupancy services		
Pinnacle Developments Ltd – a company controlled by Mr. V. Ramayah (e)	334,849	277,191
Level 8 Ltd – a company in which Mr R. Tanner is a director	10,223	-
Other		
Interest on long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah (f)	-	3,095
Purchase of 48,400 shares of ConSova Corporation from M. Smith (KMP) (g)	1,680,000	-
Interest payment to M. Smith on deferred purchase consideration (g)	18,825	-

NOTE 27: RELATED PARTY DISCLOSURES (CONT'D)

(a) Fees for management and administrative services provided (including cost of personnel and proportion of overheads) are charged on a cost plus 10% mark-up basis based on time spent in providing these services. Refer remuneration table on page 16 for the details of executive remuneration component included above.

(b) Software services provided are billed on the basis of hourly rates. Payment terms are within six months from the date of invoice and settled in cash. These hourly rates are in line with the quotations for similar services received from two unrelated third parties.

(c) Refer to Remuneration Report para c on page 16.

(d) Refer to Remuneration Report para b on page 16.

(e) Expenses for occupancy services are in line with per square meter rate paid by other third party unrelated tenants occupying the space in the same building.

(f) Loan transactions are unsecured and repayable at call. Interest charged was 10% on reducing balance.

(g) M. Smith sold 48,400 shares of Consova Corporation to Medtech Holding USA Inc. for a consideration of US$1,200,000. Of this consideration, US$ 300,000 was paid at closing date; US$ 820,000 is to be paid in 40 equal instalments bearing a simple interest of 4.25% per annum. Balance consideration of US$ 80,000 is a contingent amount payable in the event, and only in the event, ConSova Corporation or all or substantially all of its assets is or are sold within 18 months of the acquisition date for aggregate consideration valued at US$ 2,700,000 or greater. (Refer Note 29)

Transactions with Key Management Personnel (KMP)

Details relating to KMP, including remuneration paid and outstanding provision, are included in the Directors' Report / Remuneration Report.

Outstanding balances

The following balances are receivable / (payable) at reporting date in relation to transactions with related parties:

	CONSOLIDATED ENTITY	
	2016	**2015**
	$	**$**
Cost on-charges		
Cereus Holdings Ltd - a company controlled by Mr. V. Ramayah (i)	-	(2,447)
Software services & development		
Inlogic Technologies Pvt Ltd - a company associated with Mr. V. Ramayah (i)	(1,669,100)	(1,384,265)
Consulting services		
Ross Tanner Consulting Ltd – a company controlled by Mr. R. Tanner (i)	-	(6,034)
Other		
Deferred purchase consideration payable to M. Smith (ii)	(943,706)	-
Net receivable / (payable)	**(2,612,806)**	**(1,392,746)**

(i) Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

(ii) Outstanding balance at the yearend is to be paid in 35 equal instalments bearing a simple interest of 4.25% per annum.

(iii) There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2016, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2015: $Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 28: EVENTS SUBSEQUENT TO REPORTING DATE

There were no significant events subsequent to reporting date.
(Previous year: Ultrasis Interactive Healthcare PLC (Ultrasis) a customer was navigating through financial difficulty. Based on the information on their website at that time, Ultrasis had filed a notice of intention to appoint Paul Flint and Brian Green, insolvency practitioners at KPMG LLP, as administrators to the Company. Gross amount receivable of $542,671 was set off by amount payable and subsequent collection of $ 261,409. Acknowledging the potential risk, a provision for doubtful debt for the balance amount of $ 281,262 was made as at 31 March, 2015.)

NOTE 29: CONTINGENT LIABILITIES / ASSETS

Medtech Holdings USA Inc (MHI) a wholly owned subsidiary of Medtech Global Limited (MDG) has on the 31st October 2015 purchased all the non-controlling interests and in doing so has 100% ownership of ConSova Corporation. The purchase price under the agreement is a total of US$1,300,000. Of this US$ 80,000 is a contingent amount payable in the event, and only in the event, ConSova Corporation or all or substantially all of its assets is or are sold within 18 months of the acquisition date for aggregate consideration valued at US$ 2,700,000 or greater. The Group has no intention to sell ConSova Corporation or all or substantially all of its assets and consequently AU$ 104,316 equivalent to US$ 80,000 has been shown as contingent liability as at 31 March, 2016. (2015: Nil).

NOTE 30: DIRECTORS' AND EXECUTIVES' COMPENSATION

(a) Compensation of Key Management Personnel

	SHORT-TERM EMPLOYEE BENEFITS	POST-EMPLOYMENT BENEFITS	LONG-TERM INCENTIVE PLANS	SHARE-BASED PAYMENT OPTIONS	TOTAL
2016	1,314,326	36,567	-	-	1,350,893
2015	1,386,814	41,345	-	-	1,428,159

(b) Equity Instruments

Options and rights granted as compensation

No options were granted to the KMP during the financial year.

Equity instruments issued on exercise of remuneration options

No options were exercised by the KMP during the financial year.

Shareholdings

The number of shares held by Parent Company Directors and Key Management Personnel:

DIRECTORS	BALANCE 31 MARCH 2014	OTHER NET CHANGE *	BALANCE 31 MARCH 2015	OTHER NET CHANGE *	BALANCE 31 MARCH 2016
Mr V Ramayah	70,809,262	-	70,809,262	-	70,809,262
Mr D Stuart	750,000	-	750,000	-	750,000
Mr R Clarke	109,000	-	109,000	-	109,000
Mr M Gaylard	-	120,000	120,000	-	120,000

Mr V Ramayah has an interest of 70,809,262 shares in the company held by Cereus Holdings Ltd.

Mr D Stuart has an interest of 750,000 shares held directly.

Mr R Clarke has an interest of 10,000 ordinary shares held directly, 89,000 shares held by R G Clarke & Associates Ltd, and 10,000 shares held by The Russell Clarke Family Trust.

Mr M Gaylard has an interest of 120,000 shares held directly.

* Other Net Change refers to shares purchased or sold during the financial year.

OTHER INFORMATION

Shareholder Information

The issued capital of the company as at 31 March 2016 is 100,248,061 ordinary shares. There are no outstanding options.

Distribution of Shareholdings as at 31 March 2016

NUMBER OF SHARES	NUMBER OF SHAREHOLDERS
1-1,000	63
1,001-5,000	60
5,001-10,000	107
10,001-100,000	135
100,001 or above	43
Total Shareholders *	404
Percentage of total shares on issue held by top 20 largest shareholders	**91.9%**
Percentage of shareholders holding less than a marketable parcel	**28.7%**

* All shares have equal voting rights

Top 20 Shareholders as at 31 March 2016

SHAREHOLDER	NUMBER	PERCENTAGE
Cereus Holdings Limited	70,809,262	70.6%
Forsyth Barr Custodians Ltd	4,731,216	4.7%
Ravindran Govindan	3,339,085	3.3%
Deepak Mamtani	3,000,000	3.0%
HSBC Custody Nominees	1,996,006	2.0%
Carrier International Pty	1,033,567	1.0%
Khoo Siew Ngoh	776,250	0.8%
Copabella Pty Ltd	750,000	0.7%
Darryl Stuart	750,000	0.7%
Dr Hamish Arthur Jamieson	712,768	0.7%
Leandro Pacheco	660,000	0.7%
J P Morgan Nominees Australia	613,360	0.6%
Pushpa Bose	480,500	0.5%
James Huggett	459,818	0.5%
Connaught Consultants	421,393	0.4%
Kevin Noel Reynolds	404,563	0.4%
Daly SF Pty Ltd	369,309	0.4%
DBS Vickers Securities	270,230	0.3%
Simon Trevisan	266,000	0.3%
Mui Enterprises Pty Ltd	265,527	0.3%
Total Shares On Issue Held By 20 Largest Shareholders	**92,108,854**	**91.9%**

Substantial Shareholders as at 31 March 2016

Cereus Holdings Limited

Restricted Securities

There are no securities of the company on issue that are restricted.

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