

**HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES
FOR THE HALF YEAR ENDED 31 DECEMBER 2015
ABN: 90 091 302 975**

This half year financial report is to be read in conjunction with the financial report for the year ended
30 June 2015

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

APPENDIX 4D

1. Reporting period

Report for the half year ended 31 December 2015

Previous corresponding periods: Financial year ended 30 June 2015

Half year ended 31 December 2014

Results for announcement to the market

Key Information		Change %	Half-year Ended	Half-year Ended
			31 December 2015	31 December 2014
			\$'000	\$'000
Revenue from continuing operations	Down	25%	6	8
Loss from continuing operations after tax attributable to members	Down	9.3%	(284)	(313)
Total comprehensive (loss)/income attributable to members	Down	105.9%	(284)	4,823

Explanation of Results

The loss after income tax for the half year was \$284,000 (2014: profit of \$4,823,000 due to primarily a gain arising from effectuation of the Deed of Company Arrangement and the transfer of all liabilities and obligations of the Company to the Creditors' Trust).

Dividends paid and proposed

No dividend was paid or proposed during the period.

2. Net tangible assets per share

Net tangible assets per ordinary share \$0.21 cents (31 December 2014: \$0.004 cents)

3. Control gained or lost over entities in the half year

Control gained over entities during the period	Nil
Loss of control of entities during the period	Nil

4. Investments in associates and joint venture entities

Equity accounted associates and joint venture entities	Nil
Aggregate share of Profit / (losses) of associates and joint venture entities	Nil

5. Audit opinion

Emphasis of Matter Regarding Going Concern

As referred to in 1(b) to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2015 the entity had working capital of \$604,000, cash and cash equivalent of \$635,000 and had incurred a loss for the period amounting to \$284,000. The ability of the entity to continue as a going concern is subject to successful recapitalisation of the entity. In the event that the Board is not successful in recapitalising the entity and in raising further funds, the Company may not be able to meet its liabilities as they fall due.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

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HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors present their report on the consolidated entity consisting of HJB Corporation Limited ("HJB" or the "Company") and its controlled entities (the "Group") for the half year ended 31 December 2015.

Directors

The following persons were directors of HJB during the whole or part of the half year and up to the date of this report.

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

Incomplete records

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

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration nor were they in office for the full comparative period presented in this report. The Directors who prepared this financial report were appointed on 7 July 2014.

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

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 for the comparative periods in the financial report, being for the half year ended 31 December 2014 and year ended 30 June 2015.

Principal activities

The consolidated entity's principal activities during the half year consisted of the provision of services in the recruitment sector, as well as actively considering the acquisition of other investments.

Review of operations

Post reinstatement on 20 October 2014, the Group has been working with its technology and marketing partners to exploit its assets including its customer base. On the 10 December 2015 HJB Corporation Limited announced that its wholly owned subsidiary entered into a strategic alliance agreement with Workible – a leading recruitment technology provider and online recruitment solution. The Strategic Alliance includes the potential for Workible to offer job services to employers that HJB has a relationship with, as well as offering the provision of training and job opportunities to job seekers that HJB has a relationship with.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Review of operations (Continued)

Workible will be providing the technology and fulfilment capability, whereas HJB will be providing access to its database of employers and candidates, with the revenue received from the Strategic Alliance being split between HJB and Workible.

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

The loss from continuing operations after income tax for the half year was \$284,000 (2014: loss of \$313,000).

Significant changes in the state of affairs

On the 10 December 2015 HJB Corporation Limited announced that its wholly owned subsidiary entered into a Strategic Alliance agreement with Workible as described above.

Auditor independence and non-audit services

The auditor's independence declaration is included on page 6 of the financial report.

Rounding of amounts to the nearest thousand dollars

The Company is of a kind referred to in ASIC Class Order 98/100, issued by Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

Signed in accordance with a resolution of the Directors.



Mike Hill
Executive Chairman
Sydney
24 February 2016

24 February 2016

Board of Directors
HJB Corporation Limited
c/- Whittens Lawyers
Level 5, 137 Bathurst Street
Sydney
NSW AUSTRALIA 2000

Dear Sirs

RE: HJB CORPORATION LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of HJB Corporation Limited.

As Audit Director for the review of the financial statements of HJB Corporation Limited for the half year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
HALF YEAR ENDED 31 DECEMBER 2015**

	Not e	31 December 2015 \$'000	31 December 2014 \$'000
Revenue from continuing operations		6	8
Expenses			
Employment costs		(163)	(221)
Professional fees		(86)	(55)
Administration costs		(41)	(45)
Total expenses		<u>(290)</u>	<u>(321)</u>
(Loss) from continuing operations before finance costs and impairment		(284)	(313)
(Loss) from continuing operations before income tax expense		(284)	(313)
Income tax expense		-	-
(Loss) from continuing operations after income tax		<u>(284)</u>	<u>(313)</u>
Discontinuing operations			
Profit from discontinuing operations after tax	7(b)	-	5,136
Net (loss)/ profit attributable to members of the Company		<u>(284)</u>	<u>4,823</u>
Other comprehensive income for the year			
Other comprehensive income		-	-
Total comprehensive (loss)/ income for the year		<u>(284)</u>	<u>4,823</u>
(Loss)/ income is attributable to:			
Owners of HJB Corporation Limited		(284)	4,823
		<u>(284)</u>	<u>4,823</u>
Total comprehensive (loss)/profit is attributable to			
Owners of HJB Corporation Limited		(284)	4,823
		<u>(284)</u>	<u>4,823</u>
(Loss)/Earnings per share from continuing operations attributable to equity holders of the parent entity			
Basic (loss) /earnings per share (cents per share)			
- Continuing operations		(0.10)	(0.22)
- Discontinuing operations		-	0.92
Diluted (loss)/ earnings per share (cents per share)			
- Continuing operations		(0.10)	(0.22)
- Discontinuing operations		-	0.92

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

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	31 December 2015 \$'000	30 June 2015 \$'000
Current Assets		
Cash and cash equivalents	635	992
Trade and other receivables	24	33
	<u>659</u>	<u>1,025</u>
Non Current Assets		
Intangible assets	50	50
	<u>50</u>	<u>50</u>
Total Assets	<u>709</u>	<u>1,075</u>
Current Liabilities		
Trade and other payables	55	137
Total Liabilities	<u>55</u>	<u>137</u>
Net Assets	<u>654</u>	<u>938</u>
Equity		
Contributed equity	28,704	28,704
Reserves	85	85
Accumulated losses	<u>(28,135)</u>	<u>(27,851)</u>
	<u>654</u>	<u>938</u>

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

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER
2015**

	Issued Capital \$'000	Option premium reserve \$'000	Employee Share Reserve \$'000	Accumulated Losses \$'000	Total Equity \$'000
Balance as at 1 July 2015	28,704	2	83	(27,851)	938
Net loss for the half year	-	-	-	(284)	(284)
Other comprehensive income for the half year	-	-	-	-	-
Total comprehensive loss for the half year	-	-	-	(284)	(284)
Transactions with owners in their capacity as owners					
Shares issue	-	-	-	-	-
Options issue	-	-	-	-	-
Total transactions with owners in their capacity as owners	-	-	-	-	-
Balance as at 31 December 2015	<u>28,704</u>	<u>2</u>	<u>83</u>	<u>(28,135)</u>	<u>654</u>
Balance as at 1 July 2014	27,054	-	-	(32,454)	(5,400)
Net profit for the half year	-	-	-	4,823	4,823
Other comprehensive income for the half year	-	-	-	-	-
Total comprehensive income for the half year	-	-	-	4,823	4,823
Transactions with owners in their capacity as owners					
Shares issue	1,650	-	-	-	1,650
Options issue	-	2	64	-	66
Total transactions with owners in their capacity as owners	1,650	2	64	-	1,716
Balance as at 31 December 2014	<u>28,704</u>	<u>2</u>	<u>64</u>	<u>(27,631)</u>	<u>1,139</u>

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

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	31 December 2015 \$'000	31 December 2014 \$'000
Cash flow from operating activities		
Payments to suppliers and employees	(363)	(324)
DOCA settlement payment	-	(964)
Interest received	6	8
Net cash (used in) operating activities	<u>(357)</u>	<u>(1,280)</u>
Cash flow from investing activities		
Proceeds on sale of shares	-	-
Net cash generated by investing activities	<u>-</u>	<u>-</u>
Cash flow from financing activities		
Repayment of Syndicate Loan	-	(28)
Proceeds from Borrowings - Syndicate Loan	-	200
Proceeds from issue of shares and options	-	1,478
Net cash generated by financing activities	<u>-</u>	<u>1,650</u>
Net (decrease) / increase in cash and cash equivalents	(357)	370
Cash and cash equivalents at beginning of year	992	764
Cash and cash equivalents at end of half year	<u>635</u>	<u>1,134</u>

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

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This half-year financial report of HJB Corporation Limited ("HJB" or the "Company") and its controlled entities (the "Group") for the half-year ended 31 December 2015 was authorised for issue at the date of the directors report.

(a) Basis of preparation of the interim financial report

Statement of compliance

The interim financial report is a general purpose financial report which was prepared in accordance with the Corporations Act 2001 and Accounting Standards AASB 134, Interim Financial Reporting where possible (refer to basis of preparation below). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The interim financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

(b) Incomplete records

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

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration nor were they in office for the full period presented in this report. The Directors who prepared this financial report were appointed on 7 July 2014.

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

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 for the comparative periods in the financial report, being for the half year ended 31 December 2014 and year ended 30 June 2015.

(c) New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The company has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

(d) Going concern

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

For the half year ended 31 December 2015 the consolidated entity incurred a net loss of \$284,000 (2014: net profit of \$4,823,000) and had working capital of \$604,000 (2014:\$888,000). Based upon the Group's existing cash resources of \$635,000 (2014: 992,000), on the ability to modify expenditure outlays if required, and to source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the 31 December 2015 half year financial report.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Going concern (continued)

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

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

Equity settled transactions

The Group provides benefits to its employees (including key management personnel) in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions). The cost of these equity settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The charge to the statement of profit and loss and other comprehensive income is taken when the options are granted. There is a corresponding entry to equity. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

NOTE 2: SEGMENT REPORTING

(a) Business segments

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

(b) Geographical segments

The consolidated entity operates in one geographical segment being Australia. As a result, no additional geographical segment information has been provided.

(c) Equity accounting investments

The consolidated entity holds no investments relating to equity accounting.

NOTE 3: CONTRIBUTED EQUITY

(a) Ordinary shares – Parent entity

	31 December 2015		30 June 2015	
	Number	\$'000	Number	\$'000
Opening balance	286,876,788	28,704	556,929,634	27,054
Employee share plan	-	-	-	-
Share consolidation (33 : 1)	-	-	(540,052,846)	-
Share issue	-	-	270,000,000	1,650
Closing balance	<u>286,876,788</u>	<u>28,704</u>	<u>286,876,788</u>	<u>28,704</u>

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 3: CONTRIBUTED EQUITY (Continued)

(b) Issuance of options

There were no options issued for the half year ended 31 December 2015.

(c) Share based Payment

There was no share based payment for the half year ended 31 December 2015.

NOTE 4: CONTROLLED ENTITIES

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

NOTE 5: EVENTS AFTER BALANCE DATE

No events have occurred after balance date that impacts the financial statements.

NOTE 6: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Each of the Directors and certain advisers have agreed to receive 50% of their respective base salary up until the first material acquisition is made by the Company, at which time Directors and certain advisers will be paid the outstanding base salary to ensure that each Director and certain advisers receives 100% of their respective base salary for the period from the date of their appointment to the date of the acquisition. The remaining 50% of base salary amounting to \$481,384 has been treated as a contingent liability.

There are no other contingent liabilities or assets at the date of this report.

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2015

NOTE 7: DISCONTINUED OPERATIONS

(a) Details of operations disposed

On 12 September 2013, the Company went into voluntary administration. The Administrators sought expressions of interest from third parties in either acquiring the assets of the Company or reconstructing and recapitalising the Company.

As part of this process, the creditors approved the Administrators entering into a Deed of Company Arrangement (DoCA) on 4 December 2013, pursuant to which the Deed Administrator was authorised, among other things, to investigate the restructure of the Company's capital with a view to re-instating the Company's Shares to quotation on the ASX for the benefit of creditors and Shareholders.

The Company's creditors subsequently agreed with a proposal presented by a syndicate headed by Pager Partners for the restructure and recapitalisation of the Company. This proposal was approved by Shareholders on 23 June 2014 and was successfully completed on 7 July 2014.

At or subsequent to completion, the following occurred:

- 1) The syndicate headed by Pager Partners paid \$200,000 to the Deed Administrator;
- 2) The Deed Administrator satisfied creditors' claims under the Creditors Trust Deed, with all other liabilities and obligations of the Company being comprised under the DoCA;
- 3) The Company confirmed the retention of the Company's existing business assets (unencumbered); and
- 4) The DoCA terminated

(b) Financial performance of operations disposed

	31 December 2015 \$'000	31 December 2014 \$'000
Carrying value of Net Liabilities	-	5,336
Payment to HJB Creditors Trust	-	(200)
Net result for the half year	-	-
Net gain on disposal of operations	<u>-</u>	<u>5,136</u>

(c) Assets and liabilities of discontinued operations

Cash and cash equivalents	-	764
Trade and other receivables	-	43
Trade and other payables	-	(719)
Provisions	-	(1,172)
Other provisions	-	(4,252)
Net liabilities attributable to discontinued operations	<u>-</u>	<u>(5,336)</u>

(d) Cash flows used in discontinued operations

Net cash used in operating activities	-	(964)
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net cash outflows for the half year	<u>-</u>	<u>(964)</u>

HJB CORPORATION LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

- 1) Subject to the uncertainty over the completeness of source documentation and its impact on comparatives disclosure, as disclosed in Note 1(b), in the opinion of the Directors of HJB Corporation Limited (the 'Company'):
 - a) the condensed financial statements, notes and the additional disclosures as set out on pages 7 to 14 are in accordance with the Corporations Act 2001 including:
 - i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 as represented by the results of its operations, changes in equity and its cash flows for the period from 1 July 2015 to 31 December 2015; and
 - ii) complying with the Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001;
 - b) At the date of this statement, and, as set out in Note 1, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

This statement is made in accordance with a resolution of the Board of Directors made pursuant to S.303(5) of the Corporations Act 2001.

On behalf of the Directors



Mike Hill
Executive Chairman
Sydney
24 February 2016

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
HJB CORPORATION LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of HJB Corporation Limited, which comprises the consolidated statement of financial position as at 31 December 2015, 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 half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for HJB Corporation Limited (the consolidated entity). The consolidated entity comprises both HJB Corporation Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of HJB Corporation Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of HJB Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of HJB Corporation Limited on 24 February 2016.

Basis for Disclaimer of Auditor's Review Conclusion

The company was placed into administration on 12 September 2013 and the Deed of Company Arrangement was effectuated on 7 July 2014. Consequently, the financial information relating to the comparative periods 31 December 2014 and 30 June 2015 was not subject to the same accounting and internal controls processes, which includes the implementation and maintenance of internal controls that are relevant to the preparation and fair presentation of the financial report.

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

Disclaimer of Auditor's Review Conclusion

Based on our review, which is not an audit, and because of the existence of the limitation on the scope of our work, as described in the Basis for Disclaimer of Auditor's Review Conclusion paragraph noted above, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, a conclusion as to whether the financial report of HJB Corporation Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of Matter Regarding Going Concern

As referred to in 1(b) to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2015 the entity had working capital of \$604,000, cash and cash equivalent of \$635,000 and had incurred a loss for the period amounting to \$284,000. The ability of the entity to continue as a going concern is subject to successful recapitalisation of the entity. In the event that the Board is not successful in recapitalising the entity and in raising further funds, the Company may not be able to meet its liabilities as they fall due.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
24 February 2016