

Appendix 4E – Preliminary Final Report For the Year Ended 30 June 2015

Results for announcement to market	Up / Down	% Change	2015 \$
Revenue from ordinary activities	Down	80%	3,868
Profit after tax from ordinary activities attributable to members	Down	29%	(685,589)
Profit attributable to members	Down	29%	(685,589)

Dividend Information	Amount per share	Franked Amount per share
Dividend – current reporting period	Nil	Nil
Dividend – previous reporting period	Nil	Nil

Net Tangible Asset Backing per Ordinary Share	cents
Net tangible asset backing per ordinary share – current reporting period	0.36
Net tangible asset backing per ordinary share – previous reporting period	0.14

Commentary on the Results for the Period

The net loss for the years ended 30 June 2014 and 30 June 2015 was incurred in the ordinary course of business.

Audit

This Preliminary Final Report is based on the Annual Financial Report which is in the process of being audited.



Stephen Hewitt-Dutton
Director

Dated at Perth on this 31st day of August 2015

Review of Operations

General Meetings

On 1 July 2014, the Company held a General Meeting where the following resolutions were passed by Shareholders:

1. Ratification of the issue of 56,000,000 fully paid ordinary shares under a Tranche 1 placement; and
2. Approval of the issue of 41,000,000 fully paid ordinary shares under a Tranche 2 placement.

On 30 June 2015, the Company held a General Meeting where the following resolutions were passed by Shareholders:

1. Change in nature and scale of activities of the Company;
2. Approval of Performance Shares;
3. Issue of Consideration Shares to Vendors;
4. Issue of New Shares pursuant to the Capital Raising;
5. Directors' right to apply for Shares under Prospectus;
6. Issue of Facilitation Shares to Trident Capital;
7. Issue of Facilitation Shares to SCM Equities;
8. Change of Company Name;
9. Appointment of Robert Day as Director;
10. Appointment of Anthony Dixon as Director;
11. Appointment of Graham Steer as Director;
12. Appointment of Kate Cornick as Director; and
13. Appointment of Ron Howard as Director.

Share Sale Agreement

On 23 September 2014, the Company executed a formal Share Sale Agreement with Rision Pty Ltd (formerly named Employment Management Systems Pty Ltd), the 100% owner of Skills Connect Pty Ltd.

Prospectus

In conjunction with the acquisition of Rision, the Company released a Replacement Prospectus disclosure document on 25 June 2015 to offer 200,000,000 New Shares at an issue price of \$0.02 per New Share to raise a minimum of \$4,000,000 before expenses, with a provision to accept oversubscriptions of up to a further 200,000,000 New Shares at an issue price of \$0.02 per New Share to raise up to a total of \$8,000,000. The Replacement Prospectus replaced the original Prospectus released on 11 June 2015. On 25 August 2015 the Company withdrew the Replacement Prospectus and announced that it would not be proceeding with the capital raising. The Company remains committed to the acquisition of Rision Pty Ltd and is currently negotiating a restructuring of the acquisition to make it more attractive to investors.

Share Issue

On 2 July 2014, the Company issued 41,000,000 fully paid ordinary shares at \$0.006 per share.

On 31 July 2014, the Company issued 67,999,996 fully paid ordinary shares at \$0.015 per share.

On 30 January 2015, the Company issued 81,700,000 fully paid ordinary shares at \$0.015 per share.

Director Appointments and resignations

There have been no changes to the Directors in office as at 30 June 2015.

Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 30 June 2015

	Note	2015	2014
		\$	\$
Revenue from continuing operations		-	-
Other Income		3,868	19,786
Directors fees		(120,000)	(119,903)
Finance costs		(1,629)	(599)
Rent		(24,000)	(24,000)
Administration expenses		(543,828)	(407,397)
Loss before income tax		(685,589)	(532,113)
Income tax expense		-	-
Loss after income tax for the year		(685,589)	(532,113)
Other comprehensive income		-	-
Total comprehensive loss for the period		(685,589)	(532,113)
Basic and diluted loss per share (cents per share)	1	(0.12)	(0.14)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2015

	Note	2015	2014
ASSETS		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		59,916	437,085
Trade and other receivables		38,701	43,625
Other	3	2,400,000	500,000
TOTAL CURRENT ASSETS		2,498,617	980,710
TOTAL ASSETS		2,498,617	980,710
CURRENT LIABILITIES			
Trade and other payables		236,287	376,224
TOTAL CURRENT LIABILITIES		236,287	376,224
TOTAL LIABILITIES		236,287	376,224
NET ASSETS		2,262,330	604,486
EQUITY			
Issued capital	2	5,601,310	3,257,877
Accumulated losses		(3,338,980)	(2,653,290)
TOTAL EQUITY		2,262,330	604,486

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the financial year ended 30 June 2015

	Issued Capital	Reserves – Employee Shares	Accumulated Losses	Total
	\$	\$	\$	\$
Balance as at 1 July 2013 (Consolidated)	2,951,341	-	(2,121,278)	830,063
Loss for the period	-	-	(532,113)	(532,113)
Total other comprehensive income	-	-	-	-
<i>Transactions with owner's in their capacity as owners</i>	-	-	-	-
Issue of ordinary shares under a placement	336,000	-	-	336,000
Issue costs	(29,464)	-	-	(29,464)
Balance as at 30 June 2014(Company)	3,257,877	-	(2,653,391)	604,486
Loss for the period	-	-	(685,589)	(685,589)
Total other comprehensive income	-	-	-	-
<i>Transactions with owner's in their capacity as owners</i>	-	-	-	-
Issue of ordinary shares under a placement	2,491,500	-	-	2,491,500
Issue costs	(148,067)	-	-	(148,067)
Balance as at 30 June 2015 (Company)	5,601,310	-	(3,338,980)	2,262,330

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the financial year ended 30 June 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		-	-
Payments to suppliers and employees		(576,254)	(462,997)
Interest received		3,752	19,786
Interest and other costs of finance paid		(2,100)	(599)
Net cash used in operating activities		(574,602)	(443,810)
CASH FLOWS FROM INVESTING ACTIVITIES			
Loan payment		(1,900,000)	(500,000)
Cash disposed on liquidation of subsidiary		-	(100)
Net cash provided by / (used in) investing activities		(1,900,000)	(500,100)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue applications		2,245,500	582,000
Share issue costs		(148,067)	(29,464)
Net cash provided by financing activities		2,097,433	552,536
Net decrease in cash held		(377,169)	(391,374)
Cash at beginning of financial year		437,085	828,459
Cash at end of financial year		59,916	437,085

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. Loss Per Share

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic loss per share computations:

	2015	2014
	\$	\$
Loss attributable to ordinary equity holders	(685,589)	(532,113)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	Number	Number
	571,604,128	384,654,385
	Cents/share	Cents/share
Basic and diluted loss per share	(0.12)	(0.14)

2. Issued Capital

	2015	2014	2015	2014
	Number	Number	\$	\$
Fully paid ordinary shares	626,699,469	435,999,473	5,601,310	3,257,878
At the beginning of the financial year	435,999,473	379,999,473	3,257,877	2,951,341
Share transactions:				
- 28 May 2014 (i)	-	56,000,000	-	336,000
- 2 July 2014 (ii)	41,000,000	-	246,000	-
- 31 July 2014 (iii)	67,999,996	-	1,020,000	-
- 30 January 2015 (iv)	81,700,000	-	1,225,500	-
- Transaction costs:	-	-	(148,067)	(29,464)
- Balance at the end of financial year	626,699,469	435,999,473	5,601,310	3,257,877

(i) On 28 May 2014, the Company completed the first tranche of a Sophisticated Placement and issued 56,000,000 fully ordinary paid shares.

(ii) On 2 July 2014, the Company completed the second tranche of a Sophisticated Placement and issued 41,000,000 fully ordinary paid shares.

(iii) On 31 July 2014, the Company completed a Sophisticated Placement and issued 67,999,996 fully ordinary paid shares.

(iv) On 30 January 2015, the Company completed a Sophisticated Placement and issued 81,700,000 fully ordinary paid shares.

The Company does not have a limited amount of authorised capital and issued shares do not have a par value. Fully paid ordinary shares carry one vote per share and carry the right to dividends

3. Other Assets

	2015	2014
	\$	\$
Other – Loan Rision Pty Ltd (formerly Employment Management Systems Pty Ltd)	2,400,000	500,000
	<hr/> 2,400,000	<hr/> 500,000

During the prior year, a loan advance of \$500,000 was made to Rision under a loan agreement entered into on 28 May 2014. During the year, a further loan advance of \$1,900,000 was made to Rision under the loan agreement. This loan is repayable within 2 years of the agreement (subject to the Proposed Transaction not proceeding). The loan is subject to interest of 7% per annum in the event that the acquisition of Rision does not proceed. If the acquisition is not completed by 30 November 2015 interest will accrue from that date and be payable quarterly in arrears.

The loan is repayable in the event that the Proposed Transaction does not proceed or an event of default occurs. In the event that the Proposed Transaction does proceed, SCL will become wholly-owned by the Company and the loan will no longer be repayable.

4. Segment Reporting

The Company is in the process of acquiring Rision Pty Ltd and as such, there are currently no operating segments with discrete financial information. The Company also operates in one geographical location, being Australia. The Board of Directors review internal management reports that are consistent with the information provided in the statement of profit or loss and other comprehensive income statements, statement of financial position and statement of cash flows in this Annual Report.