



**COASSETS LIMITED**

ACN 604 341 826

**ANNUAL REPORT**

**PERIOD FROM 1 SEPTEMBER 2014 TO 30 JUNE 2015**



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## CORPORATE DIRECTORY

### Directors

Getty Goh Te-Win  
CEO

Seh Huan Kiat  
CTO

Nicholas Ong  
Non-executive Chairman

Daniel Smith  
Non-executive Director

### Company Secretary

Daniel Smith

### Registered Office

Office J, Level 2, 1139 Hay Street  
West Perth, Western Australia 6005  
Telephone: 08 9486 4036  
Facsimile: 08 9486 4799

### Share Registry

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross, WA 6153  
+61 8 9315 2333

### Auditors

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
Perth WA 6000

### Stock Exchange Listing

CoAssets Limited shares are listed on the National  
Stock Exchange of Australia

Code: CAX

### Company Website

[www.coassets.com](http://www.coassets.com)

## CHAIRMAN'S LETTER

Dear Shareholder,

On behalf of the board of directors of CoAssets, I am pleased to present our first Annual Report as a listed Company.

The Company successfully listed on the National Stock Exchange of Australia Limited (NSX) on 7 July, 2015 at A\$0.10 per share, giving an initial market capitalisation of A\$13 million. In the three months since listing our share price has increased to A\$0.20, doubling our market capitalisation to A\$26 million. The listing was an important development for our Company's growth and future developments; already we have seen the benefits of being listed on the NSX reflected in key metrics, both in terms of registered user growth and an increased pipeline of potential opportunities to the CoAssets platform.

Your board is pleased to report that the Company's revenue growth has exceeded expectations. In the 10 months to 30 June 2015, revenue increased 65% compared to the previous corresponding period (14 months). This achievement is a great validation of the hard work put in by the whole team, and also of the continued growth in adoption of crowdfunding globally. As the first Australian-listed crowdfunding for real estate platform, and the most trusted platform in South East Asia, CoAssets has the potential to tap into the growing demand from investors throughout ASEAN+ for alternative real estate investment opportunities.

I would like to thank our long-term investors, and those who supported us in our pre-IPO funding in January this year. Your interest in the Company has supported our growth, raised our profile, and ensured that we are now recognised as the prominent crowdfunding for real estate platform within the region – a view shared by Massolution, an independent crowdfunding research firm.

The board of directors look forward to another exciting year ahead and we aim to reward shareholders, existing and new, with continued growth.



Nicholas Ong  
Chairman

Your directors present their financial report of the consolidated entity consisting of CoAssets Limited ("CAX" or the "Company") and the entity it controlled at the end of, or during the period (together the "Group") ended 30 June 2015, namely CoAssets Pte Ltd. All amounts are stated in Singapore dollars (S\$) unless otherwise noted. CoAssets Limited was incorporated on 18 March 2015 solely for the purpose of acquiring 100% of the share capital of CoAssets Pte Ltd, a Singapore registered company which was incorporated on 18 April 2013. The acquisition of CoAssets Pte Ltd has been accounted for as a reverse acquisition as detailed in Note 1(c) to the financial report. Under reverse acquisition accounting, the consolidated financial statements are issued under the name of the legal parent (CoAssets Limited) but are a continuation of the financial statement of the legal subsidiary (CoAssets Pte Ltd).

#### **DIRECTORS OF COASSETS LIMITED**

The names of each person who has been a director during the period and who continues in office at the date of this report (unless otherwise stated) are:

**Getty Goh Te-Win** (Chief Executive Officer) – Appointed 18 March 2015;  
**Seh Huan Kiat** (Chief Technology Officer) - Appointed 18 March 2015;  
**Chen Chik (Nicholas) Ong** (Independent Non-executive Chairman) - Appointed 18 March 2015; and  
**Daniel Smith** (Independent Non-executive Director) – Appointed 18 March 2015

The appointment dates above coincide with the incorporation of CoAssets Limited on 18 March 2015.

#### **INFORMATION ON CURRENT DIRECTORS**

##### **Getty Goh Te-Win**

Mr Goh is the Chief Executive Officer and co-founder of CoAssets Pte Ltd. He holds both a Bachelor in Building Science and a Masters of Real Estate from National University of Singapore. Before founding CoAssets Pte Ltd Mr Goh founded Ascendant Assets Pte Ltd in 2008, a real estate research firm providing research and reports to Singapore realtors and property portals. Mr Goh has published three books on real estate investments and regularly shares his views with both local and international media such as Channel News Asia, and the Wall Street Journal.

Mr Goh resides in Singapore.

##### **Directorships in the Last Three Years**

Mr Goh did not serve as a Director of any other listed companies in the last three years.

##### **Seh Huan Kiat**

Dr Seh is a co-founder of CoAssets Pte Ltd. He holds a Bachelors degree from Imperial College London and a PhD from Massachusetts Institute of Technology. Before working on CoAssets, he worked at Intel for six years, managing suppliers in Japan and Taiwan. During that time he deployed and managed supplier data portals for rapid manufacturing data exchanges and real-time reporting. Dr Seh is in charge of product and IT architecture design.

Dr Seh resides in Singapore.

##### **Directorships in the Last Three Years**

Dr Seh did not serve as a Director of any other listed companies in the last three years.

### **Daniel Smith (Independent Non-executive Director)**

Mr Smith is a member of the Governance Institute of Australia with a background in finance. He has primary and secondary capital markets expertise, having been involved in a number of IPOs and capital raisings. Mr Smith is currently a director of Minerva Corporate, a private corporate consulting firm. Mr Smith resides in Western Australia.

### **Directorships in the Last Three Years**

Minerals Corporation Limited (ASX:MSC) (resigned 15 January 2015).  
Fraser Range Metals Group (ASX:FRN) (current)  
Taruga Gold Limited (ASX:TAR) (current)

### **Chen Chik (Nicholas) Ong (Independent Non-executive Chairman)**

Mr Ong was a Principal Adviser at the Australian Securities Exchange in Perth and brings ten years' experience in listing rules compliance and corporate governance. He was an active member of the ASX JORC Group and has overseen the admission of over 100 companies to the official list of the ASX. Mr Ong is a member of the Governance Institute of Australia and holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia. Mr Ong resides in Western Australia.

### **Directorships in the Last Three Years**

Excelsior Gold Limited (ASX:EXG) (current)  
Fraser Range Metals Group Ltd (ASX:FRN) (current)  
Auroch Minerals NL (ASX:AOU) (current)  
Segue Resources Limited (ASX:SEG) (current)

### **COMPANY SECRETARY**

The Company Secretary is Mr Daniel Smith. Mr Smith was appointed to the position of Company Secretary subsequent to the end of the reporting period on 24 September 2015.

During the period, the Company Secretary was Mr Samuel Edis. Mr Edis was appointed to the position of Company Secretary on 18 March 2015 and resigned on 24 September 2015.

### **PRINCIPAL ACTIVITIES**

CoAssets Pte Ltd was officially launched in July 2013. CoAssets is a web-based real estate education, research, advertising and targeted leads generation platform, [www.coassets.com](http://www.coassets.com) (Website or Platform). The Website is provided by CoAssets Pte Ltd (Registration No. 201310357R), a company registered in Singapore and having its registered address at 38C North Canal Road, Singapore 059294 (CoAssets). CoAssets is not required to be licensed by the Monetary Authority of Singapore to carry on its activities based on its current business activities.

The CoAssets business model is to bring together property developers looking for alternative financing and investors looking for investment diversification.

Users of the Website may be either:

- (a) investors (Investors); or
- (b) real estate developers, agents, owners or businesses seeking investments for real estate projects (Opportunity Providers), (collectively, the Users).

The interactive Platform allows Opportunity Providers and Investors to engage amongst themselves. Investors may view the Projects e-listed on the Website and indicate their interest before investing in a Project. Opportunity Providers then decide whether to hold an offline event to engage such interested Investors on a Project. The networking can be done online or offline.

Online networking includes fan pages and/or micro-sites containing information on the Opportunity Providers, while offline networking includes events and expos. An example of a networking event conducted by CoAssets is the Expo for Property Investing & Crowdfunding (EPIC) that was held on 10 and 11 July 2015 at the Marriot Hotel, Singapore. EPIC 2015 was supported by Maybank as the Title Sponsor.

## **REVIEW OF OPERATIONS**

CoAssets revenue for the financial period 1 September 2014 to 30 June 2015 exceeded S\$1.1 million, with revenue up 65% from the prior period (18 April 2013 to 31 August 2014). Refer to Note 1 to the financial report for an explanation of the reporting periods presented in this financial report. CoAssets earns revenue from three primary sources:

- Charging developers administration fees;
- Fees charged through conferences and tradeshows; and
- The publication and distribution of Crowdfunders.Asia.

The bulk of the revenue and the driver of future growth, comes from administration fees charged to developers. Typically, these administration fees range from 3-5% of the funds raised by developers on the CoAssets platform.

Due to the greater adoption of crowdfunding globally, CoAssets believes that it will continue to experience growth in its revenue base and registered user numbers. Additionally, the Company is continually evaluating regional expansion opportunities, as well as changes in the regulatory environment of countries such as Australia, Malaysia and Indonesia. An independent report by crowdfunding research firm Massolution, highlighted that in excess of US\$1bn of real estate capital was raised by various crowdfunding platforms in 2014. Massolution predicts this figure to exceed US\$2.5bn in 2015, a 2.5x increase from the previous period, and by 2020 the size of the market for real estate crowdfunding could be worth US\$250bn.

## **Corporate**

### **Acquisition of CoAssets Pte Ltd**

During the reporting period, the Company acquired 100% of the share capital of CoAssets Pte Ltd, a private Singaporean company that owns the Intellectual Property and operations of the CoAssets platform. The acquisition of CoAssets Pte Ltd was by way of a share swap, with shareholders of CoAssets Pte Ltd being issued 10 shares in CoAssets Limited for every one (1) share held.

The reverse acquisition principles in AASB 3 "Business Combinations" are applied but the acquisition has been accounted for using AASB 2 "Share-based Payment". See Note 23 to the financial report for further details.

### **Initial Public Offering**

During the reporting period, the Company lodged a prospectus with the ASIC for a compliance listing on the National Stock Exchange of Australia (NSX). The Company was successfully listed subsequent to the period end on 8 July 2015.

## **DIVIDENDS**

No dividends were paid or are proposed to be paid to members during the financial period.

## **FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES**

CoAssets plans to expand its business by growing its presence in new geographic regions in a sustainable manner. It plans to do this by working with key research and media partners in each country. By providing barter services and/or free research content as a contributor, it will not only give CoAssets free publicity, it will also reinforce the company's branding as a real estate crowdfunding expert for the region. The other component of the expansion plan is to conduct user events and training. This provides a cost neutral way to promote the company, as attendees can be upsold events and services that will help to defray marketing costs.

CoAssets is Singapore's most trusted real-estate crowdfunding platform, and aims to be the number one platform in other key markets, such as China, Indonesia, Malaysia and Australia.

## **FINANCIAL POSITION**

The loss for the financial period after providing for income tax amounted to S\$36,995 (2014: S\$19,602). At 30 June 2015, the Company had S\$670,899 cash at bank and no debt.

## **AFTER BALANCE DATE EVENTS**

- On 8 July 2015 the Company successfully listed on the National Stock Exchange of Australia
- On 10 & 11 July 2015 CoAssets held its second EPIC Singapore event, which was attended by more than 900 people
- On 17 August 2015 the Company announced that it had successfully crowdfunded the platform's first Singapore-based real estate project called Mountbatten Lights
- In September 2015 CoAssets launched the company's platform for mobile users, with the App being available for download on both Android and iOS devices

## **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There have been no other significant changes in the state of affairs of the Group during the financial period.

## **MEETINGS OF DIRECTORS**

The number of meetings of the Company's Board of Directors held during the financial period, and the numbers of meetings attended by each director were:

<b>Name of Director</b>	<b>Number Eligible to Attend</b>	<b>Number Attended</b>
Getty Goh Te-Win	1	1
Seh Huan Kiat	1	1
Daniel Smith	1	1
Nicholas Ong	1	1

## **REMUNERATION REPORT - AUDITED**

The remuneration report is set out under the following main headings:

- (1) Principles used to determine the nature and amount of remuneration;
- (2) Details of remuneration;
- (3) Employment contracts of Directors and Senior Executives;



- (4) Performance based remuneration; and
- (5) Share based compensation.

The information provided under headings 1 to 5 above includes remuneration disclosures that are required under Accounting Standard AASB 124, *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

## **1 Principles used to determine the nature and amount of remuneration**

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- (i) competitiveness and reasonableness;
- (ii) acceptability to shareholders;
- (iii) performance linkage / alignment of executive compensation;
- (iv) transparency; and
- (v) capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- (i) focuses on sustained growth in shareholder wealth; and
- (ii) attracts and retains high calibre executives.

Alignment to program participants' interests:

- (i) rewards capability and experience; and
- (ii) provides a clear structure for earning rewards.

### *Executive and Non-executive Directors*

Fees and payments to directors, including the Chairman where one is appointed, reflect the demands which are made on, and the responsibilities of, the directors. Directors' fees and payments are reviewed annually by the Board. The Board also ensures that directors' fees and payments are appropriate and in line with the market. The total aggregate fixed sum per annum payable to non-executive directors will be put forward for approval by shareholders at the upcoming AGM.

### *Retirement allowances and benefits for directors*

There are no retirement allowances or other benefits paid to non-executive directors. Statutory superannuation is provided for the executive directors.

### *Use of Remuneration Consultants*

There was no use of Remuneration Consultants during the period.

## 2 Details of Remuneration

The amount of remuneration of the key management personnel ("KMP") is set out below. Key management personnel during the period is considered to only include directors of the Company.

### CONSOLIDATED

2015 Name	Short term employee benefits		Post-employment benefits	Share based payments	Total
	Salary S\$	Consulting fees S\$	Superannuation <sup>2</sup> S\$	Shares S\$	
Getty Goh Te-Win	57,000	-	-	-	57,000
Seh Huan Kiat	57,000	-	-	-	57,000
Daniel Smith <sup>1</sup> (Non-executive Director)	-	-	-	-	-
Chen Chik (Nicholas) Ong <sup>1</sup> (Non-Executive Chairman)	-	-	-	-	-
<b>TOTAL</b>	<b>114,000</b>	-	-	-	<b>114,000</b>

<sup>1</sup> Messrs Smith and Ong provided non-executive Director services through Minerva Corporate Pty Ltd, of which they are both shareholders.

<sup>2</sup> Includes Central Provident Fund contributions.

### COASSETS PTE LTD

2014 Name	Short term employee benefits		Post-employment benefits	Share based payments	Total
	Salary S\$	Consulting fees S\$	Superannuation <sup>3</sup> S\$	Shares S\$	
Getty Goh Te-Win	21,500	-	-	-	21,500
Seh Huan Kiat	21,500	-	-	-	21,500
Rosalind Tan Yan Ching <sup>1</sup>					
David Ng Toon Marn <sup>2</sup>					
<b>TOTAL</b>	<b>43,000</b>	-	-	-	<b>43,000</b>

<sup>1</sup> Appointed 30 September 2014

<sup>2</sup> Resigned on 30 September 2014.

<sup>3</sup> Includes Central Provident Fund contributions.

## 3 Employment Contracts of KMP

### Getty Goh Te-Win (Chief Executive Officer)

The Company has entered into an Executive Services agreement with Getty Goh effective on 18 March 2015, pursuant to which he is appointed as Chief Executive Officer of the Company. For his services, Mr Goh will be paid monthly remuneration of S\$7,500.

Mr Goh has no fixed term of employment, and either the Company or Mr Goh can terminate the Executive Services agreement with 6 months' notice.

### Seh Huan Kiat (Chief Technology Officer)

The Company has entered into an Executive Services agreement with Seh Huan Kiat effective on 18 March 2015, pursuant to which he is appointed as Chief Technology Officer of the Company. For his services, Dr Seh will be paid monthly remuneration of S\$7,500.

Dr Seh has no fixed term of employment, and either the Company or Dr Seh can terminate the Executive Services agreement with 6 months' notice.

#### **Daniel Smith (Non-executive Director)**

The Company has entered into a non-executive letter of appointment with Daniel Smith effective on and from 18 March 2015, pursuant to which he is appointed as a Non-executive Director of the Company. Mr Smith will be paid an annual Director's fee of S\$12,510 commencing 1 July 2015. An additional hourly rate of S\$156 (plus GST), capped at S\$1042 (plus GST) per day, will apply to all work performed in excess of one day per month. He will also be reimbursed for reasonable expenses in carrying out his duties.

#### **Chen Chik (Nicholas) Ong (Non-Executive Chairman)**

The Company has entered into a non-executive letter of appointment with Nicholas Ong effective on and from 18 March 2015, pursuant to which he is appointed as Non-executive Chairman of the Company. Mr Ong will be paid an annual Director's fee of S\$12,510 commencing 1 July 2015. An additional hourly rate of S\$156 (plus GST), capped at S\$1042 (plus GST) per day, will apply to all work performed in excess of one day per month. He will also be reimbursed for reasonable expenses in carrying out his duties.

#### **4 Performance based Remuneration**

There is currently no performance based remuneration for Directors.

#### **Company performance, shareholder wealth and KMP remuneration.**

The following table shows gross revenue, profits/losses and share price of the Company at the end of the current and previous financial periods since incorporation.

	<b>CONSOLIDATED 1/9/14 to 30/6/15</b>	<b>COASSETS PTE LTD 18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Revenue from continuing operations	1,126,295	681,597
Net loss	(36,995)	(19,602)
Loss per share	S\$0.001	S\$0.196

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. This will be achieved via offering performance incentive bonuses to deliver long-term shareholder returns.

#### **Remuneration Governance**

The Board's policy for determining the nature and amount of remuneration for KMP of the Group is as follows:

The remuneration policy, setting the terms and conditions for KMP, was developed and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation (or equivalent), and fringe benefits.

The remuneration committee, composed of the full Board, will review executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

All remuneration paid to KMP is valued at the cost to the Group and expensed. Options (if applicable) given to KMP are valued using an appropriate option pricing methodology.

The Board policy is to remunerate non-executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The remuneration committee determines payments to the non-executive Directors and will review their remuneration annually based on market practice, duties, and accountability. Independent external advice is sought when required. Fees for non-executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

The Board expects that the remuneration structure implemented will result in the Company being able to attract and retain the best executives to run the Company. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the Board as part of the review of executive remuneration. The Board can exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria.

During the period, the company did not seek the advice of remuneration consultants.

## 5 Share based remuneration

### *Shares*

There were no shares issued to KMP by the Group during the period (2014: Nil).

### *Options*

There were no options issued to KMP by the Group during the period (2014: Nil).

### **DIRECTORS' INTERESTS IN SHARES AND OPTIONS**

At the date of this report, Directors held a relevant interest in the following securities of the Company:

<b>Name</b>	<b>Ordinary Shares</b>	<b>Options</b>
Getty Goh Te-Win	45,416,810	-
Seh Huan Kiat	35,421,030	-
Daniel Smith	1 <sup>1</sup>	-
Nicholas Ong	1 <sup>1</sup>	-

<sup>1</sup> Messrs Smith and Ong are both beneficiaries of 1 share in the Company through their shareholding in Minerva Corporate Pty Ltd.

On resignation, former directors cease to be a KMP. Therefore, there is no need to disclose share and option holdings beyond the date of resignation.

### **TRANSACTIONS WITH KMP AND THEIR RELATED ENTITIES**

#### ***Minerva Services Agreement***

On 17 February 2015, CoAssets Pte Ltd entered into a Services Agreement with Minerva Corporate Pty Ltd (Minerva) of which Daniel Smith and Chen Chik (Nicholas) Ong (each a Director) are directors and shareholders. Pursuant to this agreement, Minerva provides company secretarial and accounting services to the Company for a monthly retainer of S\$3,153 (excl GST) for an initial period

of 12 months commencing 1 July 2015. Minerva will also be reimbursed for reasonable expenses incurred in connection with the discharge of its obligations under the agreement.

In addition to the related party information disclosed above, the following significant transactions with related parties on terms mutually agreed during the financial period are as follows:

	<b>CONSOLIDATED</b>	<b>COASSETS PTE</b>
	<b>1/9/14 to</b>	<b>LTD</b>
	<b>30/6/15</b>	<b>18/4/13 to</b>
	<b>S\$</b>	<b>31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Reimbursement income charged to a related party <sup>1</sup>	18,478	-
Sales to a related party	-	130,462
Expenses charged by a related party <sup>2</sup>	92,903	259,722

<sup>1</sup> Amount receivable from CoAssets Sdn Bhd, an entity related to Messrs Goh and Dr Seh for office and administration expenses. At balance date, S\$15,327 is receivable.

<sup>2</sup> Amounts charged to Ascendant Assets Pte Ltd, an entity related to Messrs Goh for office expenses and overheads. At balance date, S\$65,724 is receivable.

This is the end of the audited remuneration report.

#### **OPTIONS**

The Company has Nil options on issue.

#### **INDEMNIFICATION AND INSURANCE OF OFFICERS**

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. During the period the Company paid S\$14,625 in premiums for Directors and Officer Insurance.

#### **PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the court under section 237 of the *Corporations Act 2001*.

#### **AUDITOR**

HLB Mann Judd (WA Partnership) continues in office in accordance with section 327 of the *Corporations Act 2001*.

#### **NON-AUDIT SERVICES**

The Company 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.

The Board of Directors advises that non-audit services were provided by the Group's auditors during the period. Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the period are set out below.

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

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

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professionals Accountant.

	<b>CONSOLIDATED</b>	<b>COASSETS</b>
	<b>1/9/14</b>	<b>PTE LTD</b>
	<b>to 30/6/15</b>	<b>18/4/13 to</b>
	<b>S\$</b>	<b>31/8/14</b>
		<b>S\$</b>
<b>Audit Services</b>		
HLB Mann Judd	15,767	-
Other auditors	5,500	2,600
<b>Non-Audit Services</b>		
HLB Mann Judd - preparation of an Independent Accountant's Report	13,664	-
<b>Total</b>	<b>34,931</b>	<b>2,600</b>

#### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 15 of the annual report, and forms part of the directors' report.

#### **CORPORATE GOVERNANCE**

The directors of the Company support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the corporate governance statement included with this annual report, on page 45.

Signed in accordance with a resolution of the board of directors



Daniel Smith  
 Director  
 Perth  
 30 September 2015

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of CoAssets Limited for the period ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia  
30 September 2015

L Di Giallonardo  
Partner

**CoAssets Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period ended 30 June 2015**

		<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>Note</b>	<b>1/9/14 to 30/6/15 S\$</b>	<b>18/4/13 to 31/8/14 S\$</b>
Revenue	3	1,126,295	681,597
General administration costs	4	(331,072)	(286,265)
Advertising and marketing		(67,527)	(67,279)
Directors' fees		(114,000)	(43,000)
Employee benefits expense		(292,980)	(133,633)
Events expenses		(104,525)	(105,056)
Legal and professional fees		(89,970)	(13,776)
Training expenses		(142,662)	(46,999)
Depreciation and amortisation expense		(20,554)	(5,191)
<b>Loss before income tax</b>		<b>(36,995)</b>	<b>(19,602)</b>
Income tax expense	5	-	-
<b>Loss after income tax</b>		<b>(36,995)</b>	<b>(19,602)</b>
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign		(1,293)	-
Other comprehensive loss for the period net of tax		(1,293)	-
<b>Total comprehensive loss for the period</b>		<b>(38,288)</b>	<b>(19,602)</b>
Basic and diluted loss per share for the period attribute to the members of CoAssets Ltd	13	(0.001)	(0.196)

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



**CoAssets Limited**  
**Statement of Financial Position**  
**For the period ended 30 June 2015**

		<b>CONSOLIDATED</b>	<b>COASSETS</b>
		<b>30/6/15</b>	<b>PTE LTD</b>
	<b>Note</b>	<b>S\$</b>	<b>31/8/14</b>
			<b>S\$</b>
<b>Current assets</b>			
Cash and cash equivalents	6	670,899	28,227
Trade and other receivables	7	528,277	111,131
<b>Total current assets</b>		<u>1,199,176</u>	<u>139,358</u>
<b>Non-current assets</b>			
Property, plant & equipment	8	15,245	10,476
Intangible assets	9	93,441	40,800
<b>Total non-current assets</b>		<u>108,686</u>	<u>51,276</u>
<b>Total assets</b>		<u><b>1,307,862</b></u>	<u><b>190,634</b></u>
<b>Current liabilities</b>			
Trade and other payables	10	176,751	185,236
<b>Total current liabilities</b>		<u>176,751</u>	<u>185,236</u>
<b>Total liabilities</b>		<u><b>176,751</b></u>	<u><b>185,236</b></u>
<b>Net assets</b>		<u><b>1,131,111</b></u>	<u><b>5,398</b></u>
<b>Equity</b>			
Issued capital - ordinary	11	1,189,001	10,000
Preference shares	12	-	15,000
Reserves	14	(1,293)	-
Accumulated losses	15	(56,597)	(19,602)
<b>Total equity</b>		<u><b>1,131,111</b></u>	<u><b>5,398</b></u>

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

CoAssets Limited  
Statement of Changes in Equity  
For the period ended 30 June 2015

COASSETS PTE LTD

	Issued Capital - Ordinary	Preference shares	Foreign Currency Translation Reserve	Accumulated Losses	Total
	S\$	S\$	S\$	S\$	S\$
Balance at 18 April 2013 (date of incorporation)	10,000	-	-	-	10,000
Loss attributable to members of parent entity	-	-	-	(19,602)	(19,602)
Total comprehensive loss for the period	-	-	-	(19,602)	(19,602)
Shares Issued	-	15,000	-	-	15,000
<b>Balance at 31 August 2014</b>	<b>10,000</b>	<b>15,000</b>	<b>-</b>	<b>(19,602)</b>	<b>5,398</b>

CONSOLIDATED

	Issued Capital - Ordinary	Preference shares	Foreign Currency Translation Reserves	Accumulated Losses	Total
	S\$	S\$	S\$	S\$	S\$
Balance at 1 September 2014	10,000	15,000	-	(19,602)	5,398
Loss attributable to members of parent entity	-	-	-	(36,995)	(36,995)
Exchange difference on foreign operations	-	-	(1,293)	-	(1,293)
Total comprehensive loss for the period	-	-	(1,293)	(36,995)	(38,288)
Shares Issues	1,064,000	100,001	-	-	1,164,001
Conversion of shares	115,001	(115,001)	-	-	-
<b>Balance at 30 June 2015</b>	<b>1,189,001</b>	<b>-</b>	<b>(1,293)</b>	<b>(56,597)</b>	<b>1,131,111</b>

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

**CoAssets Limited**  
**Statement of Cash Flows**  
**For the period ended 30 June 2015**

		<b>CONSOLIDATED</b>	<b>COASSETS</b>
		<b>1/9/14 to</b>	<b>PTE LTD</b>
		<b>30/6/15</b>	<b>18/4/13 to</b>
	<b>Note</b>	<b>S\$</b>	<b>31/8/14</b>
			<b>S\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		593,015	532,590
Payments to suppliers and employees		(1,079,472)	(510,772)
Other income		-	80,876
Net cash (used in)/provided by operating activities	18	<u>(486,457)</u>	<u>102,694</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets		(63,022)	(40,800)
Purchase of plant and equipment		(14,941)	(15,667)
Interest received		91	-
Loans to related parties		43,000	(43,000)
Net cash used in investing activities		<u>(34,872)</u>	<u>(99,467)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issues of shares		1,164,001	25,000
Net cash provided by financing activities		<u>1,164,001</u>	<u>25,000</u>
<b>Net increase in cash and cash equivalents</b>		<u>642,672</u>	<u>28,227</u>
Cash and cash equivalents at the beginning of the period		28,227	-
<b>Cash and cash equivalents at the end of the period</b>	<b>6</b>	<u><u>670,899</u></u>	<u><u>28,227</u></u>

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

## **1 Statement of Significant Accounting Policies**

### **Basis of Preparation**

The financial statements of CoAssets Limited (“Company”) for the period ended 30 June 2015 were authorised for issue in accordance with a resolution of directors on 30 September 2015. The current financial period presented is 1 September 2014 to 30 June 2015 due to the group changing its balance date from 31 August to 30 June.

The financial report is a general purpose financial report that 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.

CoAssets Limited is a public company listed on the National Stock Exchange of Australia (NSX), incorporated in Australia and operating in Singapore. CoAssets Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial report of CoAssets Limited complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The financial statements, which are presented in Singapore Dollar (S\$), have been prepared on an historical cost basis except as disclosed in the accounting policies below.

### **Going Concern**

The Group has incurred a net loss during the period of S\$36,995 (18 April 2013 to 31 August 2014: S\$19,602) and has net current assets of S\$1,022,425 (31 August 2014 deficit: S\$ 45,878).

The Group’s cash position at 30 June 2015 was S\$670,899 (31 August 2014: S\$28,227).

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the use of the going concern basis of accounting is appropriate.

#### **(a) Principles of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (“Group”). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights of an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether the Company’s voting rights are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

**1 Statement of Significant Accounting Policies (continued)**

- potential voting rights held by the Company, other vote holders or other parties, rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

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 period 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 interests. 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 controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members are eliminated in full on consolidation.

(b) Adoption of new and revised accounting standards

*Standards and Interpretations applicable to 30 June 2015*

In the period ended 30 June 2015, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period.

As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

*Standards and Interpretations in issue not yet adopted*

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 30 June 2015. As a result of this review the directors have determined that there is no material impact, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

(c) Reverse acquisition accounting

The acquisition of CoAssets Pte Ltd by the Company has the features of a reverse acquisition under Australian Accounting Standard AASB 3 "Business Combinations", notwithstanding CoAssets Limited being the legal parent of the Group. This transaction is outside the scope of AASB 3 as CoAssets Limited does not constitute a business as defined by this standard. In this instance, the principles of reverse acquisition accounting are applied to determine the accounting acquirer but the acquisition is accounted for as a share-based payment by the accounting acquirer for the net identifiable assets of the accounting acquiree in accordance with AASB 2 "Share-based Payment".

## **1 Statement of Significant Accounting Policies (continued)**

Consequently the historical financial information presented in this Report is the historical financial information of CoAssets Pte Ltd as at 31 August 2014, and for the period 18 April 2013 to 31 August 2014. The previous balance date was 31 August, however this has been changed to 30 June in the current reporting period.

The legal structure of the Group subsequent to the acquisition of CoAssets Pte Ltd will be that CoAssets Limited will be the parent entity. However, the principles of reverse acquisition accounting are applicable where the owners of the acquired entity (in this case, CoAssets Pte Ltd) obtain control of the acquiring entity (in this case, CoAssets Limited) as a result of the business combination (Note 23).

Under reverse acquisition accounting, the consolidated financial statements are issued under the name of the legal parent (CoAssets Limited) but are a continuation of the financial statements of the legal subsidiary (CoAssets Pte Ltd), with the assets and liabilities of the legal subsidiary being recognised and measured at their pre-combination carrying amounts rather than their fair values.

### **(d) Income Tax**

The charge for current income tax expense is based on the result for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or any substantially enacted at the reporting date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Current income tax liabilities for current and prior periods are recognised at the amounts expected to be paid to the tax authorities, using the tax rates that have been enacted or substantially enacted by the balance date.

Deferred income tax assets / liabilities are recognised for all deductible taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**1 Statement of Significant Accounting Policies (continued)**

Deferred income tax assets and liabilities are measured at:

- (a) the tax rates that are expected to be applied when the related deferred income tax asset is realised or the deferred income tax liability is settled based on tax rates that have been enacted or substantially enacted by the balance date; and
- (b) the tax consequence that would follow from the manner in which the Company expects, at the balance date, to recover or settle the carrying amounts of its assets and liabilities.

(e) Functional currency

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company (the “functional currency”). The financial statements are presented in Singapore Dollars (S\$), which is the functional currency of the Group.

(f) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction.

The functional currency of the foreign operations, CoAssets Limited is Australian dollars (AUD).

As at balance date, the assets and liabilities are translated into the presentation currency at the rate of exchange ruling at balance date and income and expense items are translated at the average exchange rate for the period.

The exchange differences arising on translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue and related cost can be reliably measured.

Revenue from all types of the Group’s income is recognised when the service relating to those types of income are rendered.

(h) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of asset if the obligation for dismantlement, removal or restoration costs is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to the statement of profit or loss and other comprehensive income. The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

## **1 Statement of Significant Accounting Policies (continued)**

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss or other comprehensive income in the period the asset is derecognised.

Depreciation of plant and equipment is calculated on the straight-line basis to write off the cost less residual value of the assets over their estimated useful lives as follows:

Computer and software	3 years
Furniture and fittings	5 years

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted prospectively as appropriate, at each financial period end.

### *Impairment*

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income in the cost of sales line item.



## **1 Statement of Significant Accounting Policies (continued)**

### **(i) Intangible assets**

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, 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 reflected in the statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial period end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in the statement of profit or loss and other comprehensive income in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss and other statement of comprehensive income when the asset is derecognised.

#### *Research and development costs of crowdfunding platform*

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of expected sales from the related project of 5 years on a straight line basis.

**1 Statement of Significant Accounting Policies (continued)**

**(j) Trade and other receivables**

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate bad and doubtful debts for estimated irrecoverable amounts are recognised in the statement of profit or loss and other comprehensive income when there is objective evidence that the asset is impaired. The bad and doubtful debts recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed subsequent to initial recognition.

**(k) Impairment of Non-Financial Assets**

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**(l) Employee Benefits**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**(m) Provisions**

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

**(n) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid instruments with original maturities of three months or less.

**(o) Trade and other payables**

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

**1 Statement of Significant Accounting Policies (continued)**

(p) Issued Capital

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.

(q) Earnings/loss per share

(i) Basic earnings/loss per share

Basic earnings per share is calculated by dividing the profit/loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for the bonus elements in ordinary shares issued during the period.

(ii) Diluted earnings/loss per share

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

(r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for the intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in expense in the period in which they are incurred.

(s) Goods and Services Tax (GST)

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

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

(t) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Refer to Note 1 (c) – Reverse acquisition accounting.

**1 Statement of Significant Accounting Policies (continued)**

(u) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(v) Share-based Payment Transactions

Under AASB 2 Share-based Payment, the Group must recognise the fair value of options granted to directors, employees and consultants as remuneration as an expense on a pro-rata basis over the vesting period in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

The Group can provide benefits to employees (including directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions").

The cost of these equity-settled transactions with employees (including directors) is measured by reference to fair value at the date they are granted. The fair value is determined using the Black Scholes option pricing model.

(w) Critical Accounting Estimates and Judgments

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

*Impairment*

The Group assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised for the period ended 30 June 2015.

(x) Parent entity financial information

The financial information for the parent entity, CoAssets Limited, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements.

## 2 Segment Information

The Group operates in one industry, being the web-based real estate education, research, and advertising platform. The Company operated in one geographical segment, that being Singapore. The chief operating decision maker, which is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors. Intersegment pricing is on an “arms-length” basis.

	Singapore		Unallocated		Total	
	1/9/14 to 30/6/15 S\$	18/4/13 to 31/8/14 S\$	1/9/14 to 30/6/15 S\$	18/4/13 to 31/8/14 S\$	1/9/14 to 30/6/15 S\$	18/4/13 to 31/8/14 S\$
<b>Revenue</b>	1,030,911	600,721	-	-	1,030,911	600,721
Other revenue	95,384	80,876	-	-	95,384	80,876
Total sales revenue	1,126,295	681,597	-	-	1,126,295	681,597
<b>Total segment</b>	<b>1,126,295</b>	<b>681,597</b>	-	-	<b>1,126,295</b>	<b>681,597</b>
<b>Expenses</b>						
Operating activities	(1,033,323)	(701,199)	(129,967)	-	(1,163,290)	(701,199)
Total expenses	(1,033,323)	(701,199)	(129,967)	-	(1,163,290)	(701,199)
<b>Result</b>						
<b>Segment result</b>	<b>92,972</b>	<b>(19,602)</b>	<b>(129,967)</b>	-	<b>(36,995)</b>	<b>(19,602)</b>
Profit (Loss) before income tax expense	92,972	(19,602)	(129,967)	-	(36,995)	(19,602)
Income tax expense	-	-	-	-	-	-
Net profit ( loss)	<b>92,972</b>	<b>(19,602)</b>	<b>(129,967)</b>	-	<b>(36,995)</b>	<b>(19,602)</b>
<b>Assets</b>	<b>30/6/15 S\$</b>	<b>31/8/14 S\$</b>	<b>30/6/15 S\$</b>	<b>31/8/15 S\$</b>	<b>30/6/15 S\$</b>	<b>31/8/14 S\$</b>
Segment assets	1,285,521	190,634	22,341	-	1,307,862	190,634
Total assets	<b>1,285,521</b>	<b>190,634</b>	<b>22,341</b>	-	<b>1,307,862</b>	<b>190,634</b>
<b>Liabilities</b>						
Segment liabilities	(87,750)	(185,236)	(89,001)	-	(176,751)	(185,236)
Total liabilities	<b>(87,750)</b>	<b>(185,236)</b>	<b>(89,001)</b>	-	<b>(176,751)</b>	<b>(185,236)</b>

<b>3</b>	<b>Revenue from continuing operations</b>	<b>CONSOLIDATED</b>	<b>COASSETS PTE</b>
		<b>1/9/14 to 30/6/15</b>	<b>LTD 18/4/13 to 31/8/14</b>
		<b>S\$</b>	<b>S\$</b>
	Administrative income	179,646	14,800
	Consultancy	245,000	-
	Exposition income	117,157	121,771
	Exhibition income	147,657	-
	Software development income	-	121,100
	Course fee	140,661	-
	Processing fee	31,000	-
	Services income	169,790	238,727
	Training income	-	101,632
	Workshop income	-	2,691
	Other income	95,384	80,876
		<u>1,126,295</u>	<u>681,597</u>
<b>4</b>	<b>Expenses</b>		
	Audit fees	21,266	2,600
	Consultancy charges	-	37,049
	Copyright	2,286	-
	Research and development	-	48,750
	Administrative expenses	146,370	68,539
	Rental of premises	32,475	38,155
	Designing	-	10,000
	Internet expenses	37,720	33,822
	Travelling and transport	8,088	15,246
	Other administration costs	82,867	32,104
		<u>331,072</u>	<u>286,265</u>

## 5 Income Tax

The tax expense / (benefit) on profit / (loss) before income tax differs from the amount that would arise using the Singapore standard rate of income tax as follows:

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>1/9/14 to 30/6/15</b>	<b>18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Loss before income tax	(36,995)	(19,602)
Tax calculated at a tax rate of 30% (2014: 17%) <sup>1</sup>	(11,099)	(3,332)
Effects of:		
- Expenses not deductible for tax purposes	15,303	1,019
- Income not taxable for tax purpose	(12,106)	(2,699)
- Deferred tax benefit not recognised	-	5,012
- Utilisation of deferred tax benefit previously not recognised	(5,012)	-
- Statutory stepped tax exemption in Singapore	(13,990)	-
Effect of overseas tax rate of 17%	26,904	-
	-	-

<sup>1</sup> Corporate tax rate in Singapore

The Company has unabsorbed losses of approximately S\$Nil (2014: S\$29,480) available for offsetting against future taxable profits. The deferred tax benefit arising from the above are S\$Nil (2014: S\$5,012). The realisation of the deferred tax benefit is available for unlimited period subjected to there being no substantial change in shareholders as required by the provision of the Singapore Income Tax Act. Deferred tax assets are not recognised in the statement of profit or loss and other comprehensive income because it is not considered probable at this stage that the Group will generate adequate profits in the foreseeable future to absorb these losses.

## 6 Cash and Other Financial Assets

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>30/6/15</b>	<b>31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Cash and cash equivalents	670,899	28,227

The Group's exposure to interest rate risk is discussed in note 16. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of cash at bank and on hand.

## 7 Trade and Other Receivables

		<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
		<b>30/6/15</b>	<b>31/8/14</b>
		<b>S\$</b>	<b>S\$</b>
Trade receivables	(i)	364,191	59,906
Other receivables	(ii)	164,086	51,225
		528,277	111,131

**7 Trade and Other Receivables (continued)**

- (i) Includes related parties S\$15,327 (2014 S\$4,327)
- (ii) Includes related parties S\$67,884 (2014 S\$8,225)

The Company has trade and other receivables amounting to S\$248,958 (2014: S\$63,804) that are past due at the balance date but not impaired. Receivables are unsecured and the analysis of their ageing at the balance date as follows:

	<b>CONSOLIDATED</b>	<b>COASSETS PTE</b>
	<b>30/6/15</b>	<b>LTD</b>
	<b>S\$</b>	<b>31/8/14</b>
		<b>S\$</b>
Current	279,319	4,327
Past due:		
Less than 30 days	113,930	33,681
31 to 60 days	89,628	832
61 to 90 days	1,300	3,000
More than 90 days	44,100	26,291
	528,277	68,131
	528,277	68,131

These amounts generally arise from transactions relating to operating activities. No interest is chargeable and collateral is not normally obtained.

These receivables are not considered to be impaired as repayment is expected to occur or has occurred. Refer to note 16 for the Group's risk management policy. As at 30 June 2015, no trade receivables were past due and impaired.

**8 Plant and Equipment**

	<b>Computer and</b>	<b>Furniture</b>	<b>Total</b>
	<b>software</b>	<b>and fittings</b>	<b></b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b><u>Cost</u></b>			
Balance at 18 April 2013 (date of incorporation)	-	-	-
Additions	15,434	233	15,667
Balance at 31 August 2014	15,434	233	15,667
Additions	14,941	-	14,941
Balance at 30 June 2015	30,375	233	30,608
	30,375	233	30,608
<b><u>Accumulated depreciation</u></b>			
Balance at 18 April 2013 (date of incorporation)	-	-	-
Depreciation charge for the financial period	5,144	47	5,191
Balance at 31 August 2014	5,144	47	5,191
Depreciation charge for the financial period	10,125	47	10,172
Balance at 30 June 2015	15,269	94	15,363
	15,269	94	15,363
<b><u>Net carrying amount</u></b>			
As at 30 June 2015	15,106	139	15,245
As at 31 August 2014	10,290	186	10,476
	10,290	186	10,476



9 Intangible assets

	Note	Crowdfunding platform S\$
<b>Cost</b>		
Balance at 31 August 2014 (restated)	25	40,800
Additions		63,023
Balance at 30 June 2015		<u>103,823</u>
<b>Accumulated amortisation</b>		
Balance at 31 August 2014		-
Amortisation charge during the period		10,382
Balance at 30 June 2015		<u>10,382</u>
<b>Net carrying value</b>		
As at 30 June 2015		<u>93,441</u>
As at 31 August 2014		<u>40,800</u>

10 Trade and Other Payables

	CONSOLIDATED 30/6/15 S\$	COASSETS PTE LTD 31/8/15 S\$
Other payables – related parties	-	135,000
Trade and other payables – third parties	128,724	-
Accruals	48,027	50,236
	<u>176,751</u>	<u>185,236</u>

Amounts due to related parties are non-trade in nature, unsecured, interest-free and repayable on demand.

Refer to note 16 for the Company's risk management policy. All amounts are expected to be settled within 12 months.

11 Issued Capital

	CONSOLIDATED 30/6/15 \$	COASSETS PTE LTD 31/8/14 \$
<b>Share capital</b>		
Fully paid ordinary shares (a)	1,189,001	10,000
	<u>1,189,001</u>	<u>10,000</u>

**11 Issued Capital (continued)**

<b>(a) Movement in shares - period ended 30 June 2015</b>	<b>Date</b>	<b>1/9/14 to 30/6/15 No.</b>	<b>1/9/14 to 30/6/15 S\$</b>
<i>(1) Fully paid ordinary shares</i>			
Opening balance	1/9/2014	10,000	10,000
Share Issued	03/03/15	11,356,784	1,064,000
Conversion of preference shares	03/03/15	1,696,217	115,001
		13,063,001	1,189,001
Share for share acquisition of CoAssets Pte Ltd (10 shares for every 1 shares held in CoAssets Pte Ltd)	12/05/15	117,567,009	-
Equity raising costs		-	-
<b>Closing balance</b>	<b>30/6/2015</b>	<b>130,630,010</b>	<b>1,189,001</b>

<b>(b) Movement in shares – period ended 31 August 2014</b>	<b>Date</b>	<b>18/4/13 to 31/8/14 No.</b>	<b>18/4/13 to 31/8/14 S\$</b>
<i>(1) Fully paid ordinary shares</i>			
Opening balance –on incorporation	18/4/13	10,000	10,000
<b>Closing balance</b>	<b>31/8/14</b>	<b>10,000</b>	<b>10,000</b>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**12 Preference shares**

Issued and fully paid

Nil (2014: 632) preference shares

<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
<b>30/6/15</b>	<b>31/8/14</b>
<b>S\$</b>	<b>S\$</b>
-	15,000

<b>(a) Movement in preference shares period ended 30 June 2015</b>	<b>Date</b>	<b>1/9/14 to 30/6/15 No.</b>	<b>1/9/14 to 30/6/15 S\$</b>
<i>(1) Fully paid ordinary shares</i>			
Opening balance	01/09/14	632	15,000
Issue	03/03/15	1,695,585	100,001
Conversion	03/03/15	(1,696,217)	(115,001)
<b>Closing balance</b>	<b>30/06/15</b>	<b>-</b>	<b>-</b>

<b>(b) Movement in shares - period ended 31 August 2014</b>	<b>Date</b>	<b>18/4/13 to 31/8/14 No.</b>	<b>18/4/13 to 31/8/14 S\$</b>
<i>(1) Fully paid ordinary shares</i>			
Opening - on incorporation	18/4/13	632	15,000
<b>Closing balance</b>	<b>31/8/14</b>	<b>632</b>	<b>15,000</b>

**13 Loss Per Share**

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>1/9/14 to 30/6/15 No.</b>	<b>18/4/13 to 31/8/14 No.</b>
<b>Weighted average number of shares used as the denominator:</b>		
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	51,364,261	10,000
Weighted average number of ordinary shares used as the denominator in calculating diluted loss per share	51,364,261	10,000

**Reconciliation of profit / (loss) used in calculating loss per share:**

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>1/9/14 to 30/6/15</b>	<b>18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Basic loss per share from continuing operations:	(0.001)	(0.196)
Net loss from continuing operations	(36,995)	(19,602)

**14 Reserves**

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>30/6/15</b>	<b>31/8/15</b>
	<b>S\$</b>	<b>S\$</b>
Foreign currency translation reserve	(1,293)	-
	(1,293)	
<b>Foreign Currency Translation Reserve</b>		
	<b>1/9/14 to 30/6/15</b>	<b>18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Balance at beginning of the period	-	-
Reserve arising on translation of foreign subsidiaries	(1,293)	-
Balance at end of the period	(1,293)	

**Nature and purpose of Reserves**

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 the effect of hedging net investments in foreign operations.

<b>15 Accumulated Losses</b>	<b>CONSOLIDATED</b> <b>1/9/14 to</b> <b>30/6/15</b>	<b>COASSETS PTE</b> <b>LTD</b> <b>18/4/13 to</b> <b>31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Accumulated losses at the beginning of the period	(19,602)	-
Net loss attributable to members of the Company	(36,995)	(19,602)
Accumulated losses at the end of the period	<u>(56,597)</u>	<u>(19,602)</u>

## **16 Financial Risk Management Policy**

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, market risk (including currency risk, interest rate risk and price risk) and liquidity risk. The directors carried out their financial risks management in accordance with established policies and procedures.

The following sections provide the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

### **(a) Market risk**

#### **(i) Currency risk**

The Group's business operations are not exposed to material foreign currency risk as the majority of the transactions and balances are in Singapore Dollars.

#### **(ii) Interest rate risk**

The Group is not exposed to interest rate risk as it does not have any interest-bearing assets or liabilities.

#### **(iii) Price risk**

The Group is not exposed to price risk as it does not hold any listed securities.

### **(b) Credit risk**

Credit risk is a risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposures to credit risk arise primarily from trade and other receivables, amounts due from directors and holding company.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increase in credit risk exposure. The Group trades with all parties but will only provide credit terms upon approval of the management. The receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

#### Exposure to credit risk

At the balance date, the Group's maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised in the statement of financial position.

Information regarding receivables is disclosed in Note 7.

**16 Financial Risk Management Policy (continued)**

**(c) Liquidity risk**

Liquidity risk is a risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of collections and payments timing. The Group's objective is to maintain a balance between funding through business and flexibility through the use of funding from the directors.

The Group's liquidity risk management policy is to maintain sufficient liquid financial assets and flexibility through the use of funding from the directors to pay for liabilities that are due in the next six months.

The table below summarises the maturity profile of the Group's financial liabilities at the balance date based on contractual payments:

	<b>CONSOLIDATED</b>	<b>CO ASSETS PTE</b>
	<b>30/6/15</b>	<b>LTD</b>
	<b>One year</b>	<b>31/8/14</b>
	<b>or less</b>	<b>One year</b>
	<b>S\$</b>	<b>or less</b>
	<b>S\$</b>	<b>S\$</b>
Other payables	176,751	185,236

**(d) Capital risk**

The Group's objectives when managing capital are to ensure that the Group is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

Capital is defined as total issued and fully paid-up ordinary shares, preference shares and retained earnings. The Group is not subject to any externally imposed capital requirements.

**(e) Fair values**

The carrying amounts of the financial assets and financial liabilities at the balance date approximate the fair values due to the relatively short term maturity of these financial instruments.

**17 Remuneration of Auditor**

	<b>CONSOLIDATED</b>	<b>COASSETS PTE</b>
	<b>1/9/14</b>	<b>LTD</b>
	<b>to 30/6/15</b>	<b>18/4/13 to</b>
	<b>S\$</b>	<b>31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
<b>Audit Services</b>		
HLB Mann Judd	15,767	-
Other auditors	5,500	2,600
<b>Non-Audit Services</b>		
HLB Mann Judd - reparation of an Independent Accountant's Report	13,664	-
<b>Total</b>	<b>34,931</b>	<b>2,600</b>

## 18 Statement of Cash Flows Information

### (a) Reconciliation of loss after income tax to net cash outflow from operating activities

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>1/9/14 to 30/6/15</b>	<b>18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Loss after income tax	(36,995)	(19,602)
Adjustments for non-cash income and expense items:		
Depreciation and amortisation	20,554	5,191
Reclassifications:		
Interest Income	(91)	-
Changes in assets and liabilities:		
Receivables (increase) / decrease	(460,148)	(68,131)
Payables (decrease) / increase	(9,777)	185,236
Net cash outflow from operating activities	<u>(486,457)</u>	<u>102,694</u>

## 19 Related Parties

### Key management personnel compensation

The key management personnel compensation is as follows:

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>1/9/14 to 30/6/15</b>	<b>18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Short-term benefits	114,000	43,000
Post-employment benefits	-	-
Share-based payments	-	-
	<u>114,000</u>	<u>43,000</u>

### Transactions with directors, key management personnel and their related entities

In addition to the related party information disclosed above, the following significant transactions with related parties on terms mutually agreed during the financial period are as follows:

	<b>CONSOLIDATED</b>	<b>COASSETS PTE LTD</b>
	<b>1/9/2014 to 30/6/15</b>	<b>18/4/13 to 31/8/14</b>
	<b>S\$</b>	<b>S\$</b>
Reimbursement income charged to a related party <sup>1</sup>	18,478	-
Sales to a related party	-	130,462
Expenses charged by a related party <sup>2</sup>	92,903	259,722

<sup>1</sup> Amount receivable from CoAssets Sdn Bhd, an entity related to Messrs Goh and Dr Seh for office and administration expenses. At balance date, S\$15,327 is receivable.

<sup>2</sup> Amounts charged to Ascendant Assets Pte Ltd, an entity related to Messrs Goh for office expenses and overheads. At balance date, S\$65,724 is receivable.

**19 Related Parties (continued)**

At 30 June 2015, CoAssets Limited owed CoAssets Pte Ltd an amount of S\$64,600. This loan is unsecured and interest free.

On 17 February 2015, CoAssets Pte Ltd entered into a Services Agreement with Minerva Corporate Pty Ltd (Minerva) of which Daniel Smith and Chen Chik (Nicholas) Ong (each a Director) are directors and shareholders. Pursuant to this agreement, Minerva provides company secretarial and accounting services to the Company for a monthly retainer of S\$3,153 (excl GST) for an initial period of 12 months commencing 1 July 2015. Minerva will also be reimbursed for reasonable expenses incurred in connection with the discharge of its obligations under the agreement.

**20 Contingent Liabilities**

There are no contingent liabilities at 30 June 2015 and 31 August 2014.

**21 Commitments for Expenditure**

There are no further commitments at 30 June 2015 and 31 August 2014.

**22 Events Subsequent to Reporting Date**

- On 8 July 2015, the Company successfully listed on the National Stock Exchange of Australia
- On 10 & 11 July 2015, CoAssets held its second EPIC Singapore event, which was attended by more than 900 people
- On 17 August 2015, the Company announced that it had successfully crowdfunded the platform's first Singapore-based real estate project called Mountbatten Lights
- In September 2015, CoAssets launched the Company's platform for mobile users, with the App being available for download on both Android and iOS devices.

**23 Business Combination**

On 12 May 2015, the Company entered into a sale and purchase agreement with each shareholder of CoAssets Pte Ltd under which the Company acquired all of the shares in CoAssets Pte Ltd on the basis of the issue of 10 Company shares for every one share held in CoAssets Pte Ltd.

The Agreement was subject to the following conditions:

- (i) The holders of the shares in CoAssets Pte Ltd agree to sell their shares in accordance with the terms of the Agreement;
- (ii) CoAssets Pte Ltd receiving (as escrow agents) original share certificates and executed share transfer forms for all of their shares; and
- (iii) NSX issuing a conditional letter of admission of the Company's shares to the official list of NSX, subject to conditions satisfactory to the Company.

All conditions were met on 12 May 2015, therefore completing the transaction on that date.

**23 Business Combination** (continued)

Due to the nature of this acquisition, the acquisition of CoAssets Pte Ltd was considered as a reverse acquisition for accounting purposes. (Refer to Note 1(c)). As CoAssets Limited was incorporated on 18 March 2015 and was incorporated solely for the purpose of acquiring the shares of CoAssets Pte Ltd, the net assets at date of acquisition are NIL.

**24 Parent entity disclosure**

As set out in Note 1, the consolidated financial statements in this report have been prepared on the basis of reverse acquisition accounting. The statement of financial position of the parent company CoAssets Limited as at 30 June 2015, and the loss for the period then ended, is set out below. As CoAssets Limited was incorporated during the current period, no comparative information is applicable.

<b>Financial Position</b>	<b>COASSETS LIMITED</b>
	<b>30/6/15</b>
	<b>S\$</b>
CURRENT ASSETS	
Trade and other receivables	22,340
Total Current Assets	<u>22,340</u>
Non-current assets	<u>1,189,001</u>
<b>TOTAL ASSETS</b>	<b><u>1,211,341</u></b>
CURRENT LIABILITIES	
Trade and other payables	153,602
Total Current Liabilities	<u>153,602</u>
<b>TOTAL LIABILITIES</b>	<b><u>153,602</u></b>
<b>NET ASSETS</b>	<b><u>1,057,739</u></b>

<b>Financial Position</b>	<b>COASSETS LIMITED</b>
	<b>30/6/15</b>
	<b>S\$</b>
EQUITY	
Issued capital	1,189,001
Reserves	(1,293)
Accumulated losses	(129,969)
<b>TOTAL EQUITY</b>	<b><u>1,059,739</u></b>



**24 Parent entity disclosure (continued)**

**Financial Performance**

	<b>1/9/14 to 30/6/15 S\$</b>
Loss for the period	(129,969)
Total comprehensive loss	<u><b>(129,969)</b></u>

**25 Prior Period Adjustments**

In the last financial period, CoAssets Pte Ltd incurred legal and professional fees of S\$40,800 to develop the intangible asset. However, this amount was incorrectly expensed to profit or loss.

The financial statements of CoAssets Pte Ltd for the financial period ended 31 August 2014 have been restated to correct the error above.

The effect on the statement of profit or loss and other comprehensive income and statement of financial position for the comparative period are as follows:

	As restated S\$	Adjustment S\$	As previously reported S\$
Statement of profit or loss and other comprehensive income:			
Legal and professional fees	13,776	(40,800)	54,576
Statement of financial position:			
Equity			
Accumulated losses	19,602	(40,800)	60,402
Non-current assets:			
Intangible assets	40,800	40,800	-

**CoAssets Limited**

Directors' Declaration

For the period ended 30 June 2015

Directors' Declaration

- 1 The financial statements and notes as set out on pages 16 to 41 are in accordance with the *Corporations Act 2001*, and
  - (i) comply with Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (ii) give a true and fair view of the financial position of the Group as at 30 June 2015 and of its performance for the financial period ended on that date.
- 2 The directors acting in the capacity of Chief Executive Officer and Chief Financial Officer declare that:
  - (i) the financial records of the Company for the period have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
  - (ii) the financial statements and notes for the period comply with the accounting standards; and
  - (iii) the financial statements and notes for the period give a true and fair view.
- 3 The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.
- 4 In the opinion of the directors, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Daniel Smith

Director

Perth

30 September 2015

## INDEPENDENT AUDITOR'S REPORT

To the members of CoAssets Limited

### Report on the Financial Report

We have audited the accompanying financial report of CoAssets Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 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 period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the Group. The Group comprises the company and the entities it controlled at the period's end or from time to time during the financial period.

#### ***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 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 report complies 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 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 Group's preparation and fair presentation of the financial report 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 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.

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

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*.

**Auditor's opinion**

In our opinion:

- (a) the financial report of CoAssets Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the period ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**Report on the Remuneration Report**

We have audited the remuneration report included in the directors' report for the period ended 30 June 2015. 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.

**Auditor's opinion**

In our opinion the remuneration report of CoAssets Limited for the period ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.



**HLB Mann Judd**  
Chartered Accountants



**L Di Giallonardo**  
Partner

**Perth, Western Australia**  
**30 September 2015**

## **CoAssets Limited**

Corporate Governance Statement  
For the period ended 30 June 2015

### **CORPORATE GOVERNANCE COMPLIANCE**

The Board is committed to achieving and demonstrating the highest standards of corporate governance appropriate for its circumstances, size and operations. The Company has been guided by the principles of corporate governance promoted by the National Stock Exchange of Australia (NSX). This statement outlines the main corporate governance practices followed by the Company, which take into account the operational requirements of the Company.

With reference to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition), the Board has also adopted what it considers to be appropriate corporate governance policies and practices having regard to its size and nature of activities. The Company's main corporate governance policies are set out below and are available on the Company's website at <https://www.coassets.com/corporate/governance/>

- (a) Board Charter;
- (b) Code of Conduct;
- (c) Continuous Disclosure Policy;
- (d) Securities Trading Policy; and
- (e) Corporate Governance Statement.

### **Role of the Board**

The Board recognises its duties and responsibilities to:

- (a) ensure that it acts with due care and diligence and in the interests of shareholders;
- (b) adequately identify and deal with conflicts of interest at board, management and employee levels;
- (c) protect shareholder interests, including: access to information, voting rights, share of profits, equitable treatment; and
- (d) protect the interests of stakeholders including: employees, creditors, and the wider community.

In addition to matters it is expressly required by law to approve, the Board is responsible for, and has the authority to determine, all matters relating to the strategic direction, policies, practices, goals for management and operation of the Company. Without intending to limit this general role of the Board, the specific functions and responsibilities of the Board include:

- (a) appointment of the Chief Executive Officer and other senior executives and the determination of their terms and conditions including remuneration and termination;
- (b) driving the strategic direction of the Company, ensuring appropriate resources and available to meet objectives and monitoring managements' performance;
- (c) monitoring the operational and financial position and performance of the Company;
- (d) ensuring the directors inform themselves of the Company's business and financial status;

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- (e) reviewing, ratifying and monitoring systems of risk management and internal compliance and control, codes of conduct and legal compliance, in conjunction with Board Committees (if any), and ensuring they are operating effectively;
- (f) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- (g) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (h) approving the annual, half yearly and quarterly accounts;
- (i) approving significant changes to the organisational structure;
- (j) approving the issue of securities in the Company;
- (k) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- (l) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them;
- (m) meeting with the external auditor, at their request, without management being present;
- (n) determining the dividend policy of the Company and declaring dividends;
- (o) ensuring the Company complies with its responsibilities under all applicable laws the Company's Constitution and the NSX Listing Rules; and
- (p) ensuring appropriate resources are available to Senior Executives to enable them to perform their required duties and responsibilities.

**Board size and composition**

- (a) The composition of the Board is reviewed regularly to ensure an appropriate mix of skills and expertise is present to facilitate successful strategic direction.
- (b) In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.
- (c) The Board's policy is that at least 50% of the Board will be comprised of non-executive Directors. At present, 50% of the Board are independent. An independent director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgement.
- (d) Directors disclose their interests. The independence of Directors should be regularly assessed by the Board in light of the interest disclosed by them.

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- (e) Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.
- (f) Directors must declare immediately to the Board, and the Board will determine whether to disclose to the market, any loss of independence.
- (g) No member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the shareholders. This does not apply to a managing director.
- (h) Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination Committee (if there is one) or otherwise the Chairman to ensure that they continue to contribute effectively to the Board.
- (i) The Board comprises Directors with a mix of qualifications, experience and expertise which will assist the Board on fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

### **Role of Chairman**

- (a) The Chairman is a non-executive Director. If a Chairman ceases to be an independent Director, then the Board will consider appointing a lead independent Director.
- (b) The Chief Executive Officer is not be the Chairman of the Company, during his term as Chief Executive Officer or in the future.
- (c) The Chairman is able to commit the time to discharge the role effectively.
- (d) The Chairman is responsible for the leadership of the Board, ensuring it is effective in setting the agenda of the Board, conducting the Board meetings and conducting the shareholder meetings.
- (e) The Chairman facilitates the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.
- (f) In the event that the Chairman is absent from a meeting of the Board the Board shall appoint a Chairman for that meeting.

### **Board meetings**

- (a) The number of Directors necessary to constitute a quorum is that number as is determined by the Directors and, unless otherwise determined, is two.
- (b) The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including by telephone, as may be required. All Directors will be given adequate notice of scheduled Board meetings, to facilitate full attendance.
- (c) Non-executive Directors may confer at scheduled times without management being present.
- (d) The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairman and circulated to Directors after each meeting.

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- (e) The Company Secretary shall distribute supporting papers for each meeting of the Board as far in advance as practicable.
- (f) Minutes of meetings must be approved at the next Board meeting.

**Access to information and advice**

- (a) All Directors have unrestricted access to company records and information except where the Board determines that such access would be adverse to the Company's interests.
- (b) All Directors may consult management and employees as required to enable them to discharge their duties as Directors.
- (c) The Board, Board Committees (if any) or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman. A copy of such advice received is made available to all members of the Board.

**Committees**

- (a) To assist the Board in fulfilling its duties the Board has the authority to establish and determine the powers and functions of committees of the Board, including the following:
  - Audit and Risk Committee;
  - Remuneration Committee;
  - Nomination Committee; and
  - Continuous Disclosure Committee.
- (b) Each board Committee, when and if established, will have a documented charter, approved by the Board, setting out its responsibilities. At this stage of the Company's development, the functions of the above Committees are carried out by the full Board.
- (c) The charter of the Committees will be reviewed following any applicable regulatory changes.
- (d) The Board will ensure that the Committees are sufficiently resourced to enable them to fulfil their roles and discharge their responsibilities.
- (e) Members of the Committees will be appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of the Committees by resolution.
- (f) The minutes of each Committee meeting shall be provided to the Board at the next occasion the Board meeting following approval of the minutes of such Committee meeting.

**Risk Management**

The Board is committed to ensuring that the risks associated with the Company's business activities are properly identified, monitored and managed and to embedding in its management and reporting



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systems a number of risk management controls. Operational management regularly reviews the risks and controls and updates the Board in light of changing circumstances and emergent risk factors and weightings.

The Board considers that the Company is not of a size sufficient to warrant the establishment of an internal audit function or a risk management committee. The Company does however employ appropriate processes for continually improving the effectiveness of risk management and internal control processes.

The Chief Executive Officer is required to provide a declaration in writing to the Board as to whether the declaration in accordance with section 295A of the Corporations Act is founded on a sound system of internal control and that the system is operating effectively in all material respects in relation to financial risks.

Aside from the risks outlined in section 6 of the Company's prospectus dated 3 June 2015, the Company does not have material exposure to other economic, environmental or social sustainability risks.

### **Financial reporting**

The Board as a whole acts as the Audit Committee and performs the functions thereof including the making sure that the financial records of the Company have been properly maintained and that the Company's financial statements comply with accounting standards and present a true and fair view of the Company's financial condition and operational results. This statement is required annually.

### **Internal audit**

The Company does not currently have an internal audit function or an Audit Committee. The Board considers that the formation of an Audit Committee is not warranted at this time given the stage of the Company's development.

The Board will at some time consider forming an Audit Committee if the size of the Board increases and efficiencies may be derived from a formal committee structure.

### **Conflict of interest**

Any Director who has a conflict of interest must notify each other Director of this conflict prior to, or at the latest, at the first Board meeting subsequent to becoming aware of the conflict. Any services provided by Directors or transactions involving entities related to Directors must be on arm's length terms and approved by the board.

### **Code of conduct**

The Company has adopted a code of conduct which sets out the principles and standards which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders and the broad community.

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**Trading in Company securities**

The Board has adopted a Securities Trading Policy, which applies to all Directors and employees. The policy specifies the periods during which the purchase and sale of the securities may not occur and sets out a notification procedure concerning transactions.

**Communication with shareholders**

The Board places a strong emphasis on full and appropriate disclosure and has adopted a Continuous Disclosure Policy to ensure timely and accurate disclosure of price-sensitive information to shareholders through the lodgement of announcements with NSX. Clear procedures govern the preparation, review and approval of all announcements. The Company's Continuous Disclosure Policy is available on its website.

The Company is committed to open and accessible communication with its shareholders, employees, customers and other stakeholders. The Company will publish all relevant announcements on its website after NSX has acknowledged that the announcements have been released. The Continuous Disclosure Policy can be found on the Company's website. Subject to NSX disclosure rules, the Company communicates regularly with shareholders, brokers and analysts and publishes the information provided on its website.

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NSX Additional Information

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**NSX ADDITIONAL INFORMATION****Top 10 Shareholders as at 22 September 2015**

Rank	Holder Name	Designation	Securities	%
1	GOH TE-WIN GETTY		45,416,810	34.77%
2	SEH HUAN KIAT		35,421,030	27.12%
3	EXPARA IDM VENTURES 11 PT		11,481,640	8.79%
4	TAN BENG GHEE		4,844,300	3.71%
5	CHEW SIANG CHEE		4,750,000	3.64%
6	EXPARA IDM VENTURES 111 P		4,388,330	3.36%
7	KOK JOYCE PEI LI		4,145,342	3.17%
8	LEONG TEEP YHEE		3,864,000	2.96%
9	LEONG TEEP YHEE + AH K		2,500,000	1.91%
10	NG JANG CHYI		2,226,900	1.70%
		TOP 10 TOTAL	119,038,352	91.13%