Spring FG Limited
ABN 87 169 037 058

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 30 June 2015

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DIRECTORY

Board

Guy Hedley – Chairman
Non-executive Director

Keith Cullen
Managing Director

Chris Kelesis
Executive Director

Jeff Zulman
Non-executive Director

Company Secretary

Ian Morgan

Registered Office & Principal Place of Business

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Sydney NSW 2000

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springFG.com

Share Registry

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Auditor

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ASX Listing Code
"SFL"

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DIRECTORS' REPORT

30 June 2015

The directors present their report, together with the consolidated financial statements of Spring FG Limited (Spring FG or the Company) and its subsidiaries and controlled entities (the Group) for the financial year ended 30 June 2015 (FY2015) and the auditor's report thereon.

The Company listed on the Australian Stock Exchange on 13 March 2015 (ASX code: SFL).

The Company's Corporate Governance Statement is located at www.springfg.com.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report, and their qualifications and experience are provided below. Unless otherwise stated, directors were in office for the entire period.

Guy Hedley	**Chairman**
Experience	Guy Hedley is a non-executive director and chairman of Spring FG Limited. Guy has track record of success as a corporate executive in financial services. He was the founder and (for more than 10 years) head of Macquarie Private Bank in Australia and Asia and an executive director at Macquarie Group from 2002 to 2012. Under Guy's management, Macquarie Private Bank established itself as the leading private bank in the country. Guy is now the executive chairman of Atlas Advisers Australia as well as an Advisory Board Member at China House. He is on the board of the Sydney Writers Festival and chairs of its finance committee. He holds an MBA (Exec.) from Australian Graduate School of Management and is a Master Stockbroker (SAA).
Interest in shares	369,370 ordinary shares
Special responsibilities	Chairman of Remuneration & Nomination Committee
Keith Cullen	**Managing Director & CEO**
Experience	Keith Cullen is the founder and managing director of Spring FG Limited and its subsidiary companies. Keith has extensive experience as a corporate executive, general manager and sales & marketing director in financial services, gaming & wagering technology and media. He also has considerable experience in capital markets and mergers and acquisitions. From 2004 – 2006 Keith was Group CEO of WPS Financial Group; a diversified financial services group with offices across Australia. From 1994 – 2006 he was a founding director and shareholder of eBet Limited (Managing Director, 1994-2004), an ASX-listed gaming & wagering technology company with operations in Australia, NZ, USA, Canada, and various Asian countries. Prior to 1994 Keith held various sales & marketing roles with the privately-owned Australian Radio Network and ASX-listed Wesgo Communications.
Interest in shares	32,905,488 ordinary shares
Special responsibilities	Member Remuneration & Nomination Committee Members Audit & Risk Committee

Chris Kelesis	**Executive Director**
Experience	Chris Kelesis is a foundation shareholder and director of Spring FG Limited and its subsidiary companies and is licensee-in-charge of Spring FG Realty Pty Ltd. Chris holds primary responsibility for managing the Group's relationships with major developers and property asset managers. He is also responsible for overseeing investment property contracts, settlement and asset agreement processes for the Group's clients and assisting in the ongoing management of their property assets. Chris is also an accomplished equities trader and technical analyst with more than 10 years' experience as a private and wholesale client adviser in roles with Spring Equities, Ark Equities and the Rivkin Group.
Interest in shares	19,161,831 ordinary shares
Special responsibilities	Licensee-in-charge of Spring FG Realty Pty Ltd
Jeff Zulman	**Non-executive Director** (appointed 20 November 2014)
Experience	Jeff Zulman is a non-executive director of Spring FG Limited. Jeff has extensive experience at operational and board level with both private and public companies in financial services and technology. He also has extensive experience in corporate advisory including mergers and acquisitions. He is an executive director of Sydney-based corporate advisory firm, Coyne Holdings and founder and managing director of a specialist mortgage and finance brokerage advisory business, Book Buyers Brokerage Services Australia (BBBSA) Jeff is also a councillor with Woollahra Municipal Council in Sydney's eastern suburbs. Previously Jeff held roles as CEO of mortgage aggregator Vow Financial and as the CEO of Beacon IT Group. He was also a non-executive director of ASX-listed eBet Limited (2001 – 2007). He holds a BA Law (Witwatersrand) and Dip. Jurisprudence (Oxford).
Interest in shares	119,863 ordinary shares
Special responsibilities	Chairman of Audit & Risk Committee Member of Remuneration & Nomination Committee

COMPANY SECRETARY

Ian Morgan

Ian Morgan was appointed company secretary on 18 November 2014. Ian is a Chartered Accountant and Chartered Company Secretary, with over 30 years' experience. He holds a Bachelor of Business (NSW Institute of Technology), a Master of Commercial Law (Macquarie University), a Graduate Diploma of Applied Finance and Investment (Securities Institute), and is a Fellow of the Financial Services Institute of Australasia.

Prior to Ian's appointment Keith Cullen served as company secretary of Spring FG Limited. Keith Cullen remains company secretary of the Group's various subsidiary companies.

MEETINGS OF DIRECTORS

The table below sets out the meetings of directors and meetings of sub-committees held during the period.

	Directors' Meetings		Audit & Risk Committee		Remuneration & Nomination Committee	
Director	**Eligible to attend**	**Attended**	**Eligible to attend**	**Attended**	**Eligible to attend**	**Attended**
Keith Cullen	14	14	2	2	2	2
Chris Kelesis	14	14	-	-	-	-
Guy Hedley	13	13	2	2	2	2
Jeff Zulman	6	5	1	1	1	1

PRINCIPAL ACTIVITIES

The Group's principal activities during the period were the provision of *financial planning and investment advice and related product sales*; and the provision of *accounting & taxation services* (predominately to the Group's wealth management clients).

The Group's products and services are delivered to clients through the Company's wholly-owned subsidiaries (and divisions) that operate under the banner of Spring Financial Group from offices in Sydney, Melbourne, Brisbane and Canberra.

The key companies within the Group are Spring Financial Group Pty Ltd (AFSL 391655); Spring FG Realty Pty Ltd; Spring FG Accounting Pty Ltd; and Spring FG Finance Pty Ltd. The Group also offers financial education and information services through its Wealthadviser Financial Education division and Digifi Group Pty Ltd financial markets information websites.

A listing of all of the subsidiaries and controlled entities in the Group (including non-operating entities and entities acquired during the period and the prior period) can be found in Note 18 of the financial statements.

OPERATING RESULTS AND REVIEW

A. OPERATING RESULTS FOR THE YEAR

The consolidated profit of the Group after providing for income tax for FY2015 amounted to $4,716,878 (2014: $2,262,378).

Review of the operations of the Group during the financial year and the results of those operations show an 83% increase in the Group's revenue and other income to $14,855,208 (2014: $8,107,210).

Key matters contributing to the results

The key matters contributing to the results are as follows:

- The increases in both revenue and other income and in comprehensive income after tax were mainly due to continued expansion of the Group's operations, ongoing investment in marketing campaigns and acquisitions.
- The increase in revenue and other income was driven primarily through organic growth with the acquisition of the Pink Diamond Financial Group (PDFG) on 28 August 2014 and Digifi Group Pty Ltd (Digifi) on 15 May 2015 also contributing.
- The increase in revenue and other income and economies-of-scale achieved through expanded operations and acquisitions contributed to the increase in comprehensive income after tax.
- One-off and non-recurring costs of $879,749 that related to Company's IPO and ASX listing and restructuring of the operations of PDFG (including costs associated with discontinuing staff and premises surplus to the Group's requirements) were expensed during the period and therefore impacted comprehensive income after tax.
- Depreciation & amortisation increased 265% to $200,911 (FY2014 $55,083) due to depreciation of acquired fixed assets and amortisation of acquired intangible assets. Further details can be found in Notes 8 and 9 of the financial statements.

More detailed information relating to the performance of the Group's two key segments, which are "*financial planning, investment advice and product sales revenue*"; and "*accounting & taxation services*", is included at Note 3 of the financial statements.

Some of the financial data in the commentary above and below, namely separate line reporting of one-off and non-recurring expenses and cashflow is not disclosed in accordance with current Australian Accounting Standards requirements.

However, all financial data is based on the information disclosed in the audited financial statements and notes to the financial statements of the Group and follows the recognition requirements of Australian Accounting Standards.

B. REVIEW OF FINANCIAL CONDITION

Financial position

Key matters related to and contributing to the financial position of the Group as at 30 June 2015 are summarised as follows:

- The total assets of the Group were $23,256,235 compared to $10,331,272 as at 30 June 2014. The increase was mainly attributable to the addition of assets from acquired businesses throughout the year as detailed in Note 24 of the financial statements and trade & other receivables (both current and non-current) as detailed in Note 7.

- Total liabilities of the Group were $4,401,307 compared to $2,486,274 as at 30 June 2014. The increase was mainly attributable to increased total tax liability which was $2,678,966 (FY2014 $873,239) and is associated with the significant increase in total income tax liability.

- Issued capital of the Company was $13,659,962 compared to $6,132,635 as at 30 June 2014 due to a number of share placements (less capital raising costs and dividends) during the year as set out below in this Directors' Report and in Notes 13 and 14 of the financial statements.

- Retained earnings of the Group was $5,194,966 (FY2014 $1,712,633) reflecting adjustments for the Company's final FY2014 fully-franked dividend paid on 12 December 2014 and the Group's comprehensive income after tax for FY2015.

- The Group has no bank or other financing or debt facilities (either undrawn or drawn) in place as at 30 June 2015.

The above changes resulted in:

- Net assets increasing by 140% to $18,854,928 (FY2014 $7,844,998).

- Net tangible assets (NTA) increasing by 183% to $11,031,612 (FY2014 $3,895,321) with NTA backing per ordinary share up by 121% to $0.095 (FY2014 $0.043).

- Cash and current cash receivables increasing by 93% to $8,036,407 (FY2014 $4,172,330) and non-current cash receivables up by 320% to $5,908,905 (FY2014 $1,405,017).

Cash from operations

Key matters related to and contributing to cash from operations of the Group during the period are summarised as follows:

- Receipts from customers totalled $9,338,179 and payments to suppliers and employees associated with continuing operations were $8,351,236 resulting in net cash flow before payment of income taxes from continuing operations of $873,237.

- Operating cash flows included a further total of $879,749 of one-off and non-recurring cash payments and a total of $873,237 of income tax payments resulting in net cash provided by operating activities being $(760,140).

- The Group experienced considerable growth in new clients and revenue across the second half of the period resulting in trade & other receivables totalling $12,319,706 at year end (FY2014 $4,818,097).

- The Group’s trade & other receivables include receivables of $12,312,706 associated with residential property projects that the Group’s clients have invested in that are yet to be completed. As detailed in Note 1 o) and Note 7 of the financial statements the timing of up to 50% of the cash receipts associated with these receivables is linked to the completion date of such projects.

- The Group’s trade & other receivables also included work-in-progress of $3,438,636 (a portion of which falls into the category as discussed above). Work-in-progress, and the expected timing of cash receipts associated with it, and tax liability arising from it, is more fully described in Note 7 e) of the financial statements.

Further details of cash flow from operations are provided at Note 21 of the financial statements.

Other significant cash movements

The Company raised a total of $7,929,575 through issuance of new shares during the period through the share placements as set out in the Capital Management section of this Directors’ Report and in Note 13 of the financial statements. Cash raised through these issuances was used primarily to fund the following:

- The acquisition of PDFG (payment at settlement and deferred consideration and interest).
- Restructuring costs associated with the PDFG acquisition.
- The Company’s IPO and ASX listing.
- The acquisition of Digifi.

Capital management

As at 30 June 2015, the Company had a total of 116,374,325 ordinary shares on issue. This is an increase of 26,353,565 shares since 30 June 2014. The increase was due to a series of share placements as set out in the table and descriptions below, including an Initial Public Offering of shares. The weighted average number of shares on issue during the period was 103,103,978 (FY2014 65,511,096).

The Group has no bank or other financing or debt facilities (either undrawn or drawn) in place as at 30 June 2015.

Summary of Shares issued by the Company during the period

Date	Shares	Consideration	Description
28-Aug-14	5,142,864	$1,500,002	In connection with PDFG acquisition
30-Oct-14	3,600,000	$1,050,000	Limited recourse loan shares
12-Dec-14	1,858,128	$542,573	Dividend Reinvestment Plan issue
23-Feb-15	14,833,333	$4,450,000	Initial public offering
12-May-15	919,240	$387,000	In connection with Digifi acquisition
Total	**26,353,565**	**$7,929,575**	

USE OF CASH SINCE ADMISSION TO ASX

Since admission to the Official List of the ASX the Company's use of cash, and assets readily convertible to cash, held by the Company at the time of its admission to the Official List has been consistent with the Company's business objectives of driving organic growth, funding strategic acquisitions and investments, and funding the Company's IPO and ASX-listing.

DIVIDENDS

During the financial year, a final fully-franked dividend for 2014 of $0.0125 per ordinary share was declared and paid on 12 December 2014 with the total dividend being $1,234,545. The Company's Dividend Reinvestment Plan (DRP) operated in full with respect to the dividend. Details of the DRP are set out in more detail below.

Further details of dividends paid or declared by the Company are set out in detail Note 14 b) of the financial statements.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the financial year ended 30 June 2015 the following significant changes in the state of affairs of the Group occurred.

Restructuring of issued share capital

On 11 November 2014 the members of the Company resolved that the issued share capital of the Company be converted on the basis that every one ordinary share in the Company was converted into 24 ordinary shares. This resulted in the then 4,115,115 shares on issue increasing to 98,763,624 shares on issue.

Accordingly, all share-number-based references, including but not limited to, references to the number of shares on issue, earnings-per-share, asset backing and dividend-per-share in the period and comparative period have been adjusted to reflect the 24-1 conversion.

IPO and ASX Listing

On 12 December 2014 the Company lodged a prospectus with the Australian Securities and Investments Commission (ASIC) for an initial public offering (IPO) of its shares by way of the issue of 13,333,333 Shares at $0.30 per to raise $4,000,000. The Prospectus was also registered in New Zealand. Under a supplementary prospectus, lodged with ASIC on 19 February 2015, the offer was increased by 1,500,000 shares to 14,833,333 shares at $0.30 per share to raise $4,450,000.

The offer was closed fully subscribed with shares allotted and issued on 23 February 2014. The Company was subsequently admitted to the Official List of the ASX and its shares commenced trading on 13 March 2015 under the ASX code SFL.

PDFG Acquisition

On 28 August 2014 the Group acquired 100% of the specialist medical professional financial adviser and tax & accounting adviser Pink Diamond Financial Group (PDFG) for a total consideration of $3,048,196. The PDFG acquisition involved the Group acquiring all of the shares (and unit trust units) on issue in PDFG Pty Ltd, PDFG AFSL Pty Ltd, PDFG Tax Services Pty Ltd and Pink Diamond Unit Trust.

Settlement was by way of the payment of $1,500,000 at settlement with a deferred consideration of a further $1,500,000 payable to the vendor in cash on the earlier of the Company's admission to the Official List of the ASX and 31 March 2015. The deferred consideration attracted an interest rate of 10% pa payable at final settlement.

Subsequent to the acquisition the Group successfully completed a restructure of PDFG and merged its business and operations into its own operations under the Group's Spring Financial Group banner.

The cash payment at settlement was funded through the issuance of 5,142,864 shares at $0.292 cents per share to existing shareholders and wholesale investors to raise $1,500,002. The vendor of PDFG subscribed for $249,998 of those shares. The deferred consideration and interest were funded and settled by way of funds raised under the Company's IPO. The Group also assumed net liabilities of $48,196.

Digifi Acquisition

On 14 May 2015 the Group acquired 100% of the shares on issue in financial markets publisher and website operator Digifi Group Pty Ltd (Digifi) for a total consideration of $458,396 inclusive of assumed liabilities.

Digifi's websites Sharecafé and Sharescene have more than 70,000 members and attract more than 7,000 unique visitors each day. The acquisition more than doubled the Group's online subscribers through its Wealthadviser Financial Education division bringing its online community to in excess of 130,000.

The acquisition set the Group's platform for the launch of broad-scale digital delivery of financial advice and wealth management products and services.

The acquisition was settled by way of the vendors contemporaneously subscribing for 919,240 new shares in the Company at an issue price of $0.42 per share (representing the VWAP of Spring FG shares over the last 20 trading days prior to settlement) for a total consideration of $387,000 with $63,000 paid in cash paid and $8,396 in assumed net liabilities.

Management rights agreement

On 5 May 2015 the Group signed an agreement to acquire the management rights at Devine Limited's (ASX: DVN) "Mode Apartments" development in Brisbane's inner-city suburb of Newstead. The 157 apartment development is under construction with completion expected in mid-to-late 2016.

Under the agreement the Group will acquire the exclusive right to provide building management services to Mode's body corporate; and to operate onsite letting agency and property asset management services for Mode owners for a 25-year term.

The Group will pay up to $1.88M for the rights inclusive of $210,000 for a commercial lot within the development from which it will operate the services.

The Group's clients hold around 500 residential investment properties in inner-Brisbane, within a readily serviceable radius of Mode. The Mode management rights acquisition is considered to provide a strategic hub from which to provide asset management and letting services across that entire asset pool.

In addition to enabling the Group to provide clients with an end-to-end property advice and management service, the provision of physical asset management and letting services is expected to provide stable recurring income and be a material contributor to revenue and profits once fully operational from late FY2016 to early FY2017.

Dividend Re-investment Plan (DRP)

In November 2014 the Company introduced a Dividend Re-Investment Plan (DRP) that offers shareholders the opportunity to purchase additional shares in the Company by reinvesting part or all of their periodic dividends.

The Directors will only operate the DRP where they have formed the view that the benefits derived from the capital raised through the DRP will exceed the costs associated with it.

Under the terms of the DRP the Directors have the ability to limit the amount of dividend which may be invested in subscription for shares under the DRP; determine the issue price for each issue of shares under the DRP and (for so long as the Company is listed on the ASX) determine the discount to the weighted average market price that will be used to calculate the issue price for each issue of shares under the DRP; and suspend, amend or terminate the DRP.

Participation in the DRP is optional. Shareholders wishing to participate in the DRP should read the DRP rules that are available via the Group's website at www.springFG.com and complete and return the application form that is available at the same website. If necessary, shareholders should consult a financial adviser before joining.

REMUNERATION REPORT - AUDITED

This remuneration report forms part of the Directors' Report and details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors. The current key management personnel all acted in their roles for entire financial year unless otherwise stated, are as follows.

The key management personnel of the Company are:

- Guy Hedley - Non-Executive Chairman
- Jeffrey Zulman - Non-Executive Director (appointed 23 November 2014)
- Keith Cullen – Managing Director
- Christos Kelesis – Executive Director
- Russell Scott – Chief Financial Officer/Chief Operating Officer (appointed 21 November 2014)

Other key management personnel within the Group are:

- Mitchell Ansiewicz – Group General Manager (Spring Financial Group Pty Ltd)
- Frank Paul – Head of Advice Services (Spring Financial Group Pty Ltd)

This remuneration report outlines the Group's remuneration principals, framework and outcomes for the financial year ended 30 June 2015 (FY2015). The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation (not currently utilised)
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

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

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage/alignment of executive compensation
- transparency

REMUNERATION REPORT – AUDITED CONTINUED

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high-performance and high-quality personnel.

The Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group. Considerations include:

Alignment to shareholders' interests:

- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price
- delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives
- recognises that Group client satisfaction is a key driver to generating shareholder wealth

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors’ remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors’ remuneration be determined periodically by a general meeting.

REMUNERATION REPORT – AUDITED CONTINUED

Executive remuneration

The Group aims to reward executives with a level and mix of remuneration based on their position and responsibility, which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments (not currently utilised)
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits are reviewed annually by the Nomination and Remuneration Committee, based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

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

The short-term incentives ('STI') program is designed to align the targets of the business units with the targets of those executives responsible for meeting those targets. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

Group performance and link to remuneration

Remuneration for certain individuals may be directly linked to the performance of the Group. The bonus and incentive payments are dependent on defined KPI's being met and at the discretion of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

REMUNERATION REPORT – AUDITED CONTINUED

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables. It should be noted that new remuneration arrangement for all key management personnel came into effect (or in certain cases are yet to come into effect) in the lead up to the Company's IPO and ASX listing. Further details are provided below in the Service Agreements section of this Remuneration Report.

FY2015	**Salary & fees**	**Bonuses**	**Allow.**	**Super.**	**Total**
	$	**$**	**$**	**$**	**$**
Non-Executive Directors					
Guy Hedley (Chairman)	20,000	-	-	-	20,000
Jeffrey Zulman	20,417	-	-	-	20,417
Executive Directors					
Keith Cullen	-	-	-	18,000	18,000
Chris Kelesis	-	-	-	18,000	18,000
Other Key Management Personnel					
Russell Scott	74,448	-	8,460	18,612	101,520
Mitchell Ansiewicz	117,662	53,238	-	16,235	187,135
Frank Paul	113,394	-	-	10,772	124,166
	345,921	**53,238**	**8,460**	**81,619**	**489,238**
FY2014					
Non-Executive Directors					
Guy Hedley(Chairman)	-	-	-	-	0
Executive Directors					
Keith Cullen	-	-	-	-	0
Chris Kelesis	-	-	-	-	0
Other Key Management Personnel					
Mitchell Ansiewicz	97,330	40,872	-	12,784	150,986
	97,330	40,872	0	12,784	150,986

REMUNERATION REPORT – AUDITED CONTINUED

Fixed and at-risk remuneration

The proportion of remuneration linked to performance and the fixed proportion are as follows:

2015	Fixed Remuneration		At Risk Remuneration	
	2015	2014	2015	2014
Non-Executive Directors				
Guy Hedley(Chairman)	100%	-	-	-
Jeffrey Zulman	100%	-	-	-
Executive Directors				
Keith Cullen	100%	-	-	-
Christos Kelesis	100%	-	-	-
Other Key Management Personnel				
Russell Scott	100%	-	-	-
Mitch Ansiewicz	70%	70%	30%	30%
Frank Paul	100%	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in executive service agreements or, in the case of non-executive directors, letters of engagement. In the lead up to the Company's listing on the ASX agreements were formalised for all key management personnel who had previously operated under less formal terms of engagement. Details of these formal agreements and the effective dates (which do not necessarily reflect the date of initial engagement of the relevant personnel) are as follows:

Name:	Guy Hedley
Title:	Non-executive Director & Chairman
Agreement commenced:	23 November 2014
Date commenced with Group:	10 April 2014
Term of agreement:	No fixed term
Details:	Director's fees for the year ending 30 June 2016 of $40,000, to be reviewed annually by the Nomination and Remuneration Committee.

Name:	Jeff Zulman
Title:	Non-executive Director
Agreement commenced:	23 November 2014
Date commenced with Group:	23 November 2014
Term of agreement:	No fixed term
Details:	Director's fees for the year ending 30 June 2016 of $35,000, to be reviewed annually by the Nomination and Remuneration Committee.

REMUNERATION REPORT – AUDITED CONTINUED

Name:	Keith Cullen
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	13 March 2015 or such other date agreed between the executive and the Company. By his own election Keith Cullen has not yet nominated a commencement date for this agreement. It is anticipated the agreement will commence operation during the course of FY2016.
Term of agreement:	3 years
Date commenced with Group:	10 October 2010
Details:	Remuneration for the year ending 30 June 2016 of $275,000 inclusive of superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 6 month termination notice by either party, cash bonus of up to 50% of base salary at the discretion of the Board, non-solicitation and non-compete clauses.

Name:	Chris Kelesis
Title:	Executive Director
Agreement commenced:	13 March 2015 or such other date agreed between the executive and the Company. By his own election Chris Kelesis has not yet nominated a commencement date for this agreement. It is anticipated the agreement will commence operation during the course of FY2016.
Date commenced with Group:	10 October 2010
Term of agreement:	3 years
Details:	Remuneration for the year ending 30 June 2016 of $180,000 inclusive of superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 6 month termination notice by either party, cash bonus of up to 40% of base salary at the discretion of the Board and the Managing Director, non-solicitation and non-compete clauses.

REMUNERATION REPORT – AUDITED CONTINUED

Name:	Russell Scott
Title:	Chief Financial Officer/Chief Operating Officer
Agreement commenced:	21 November 2014
Date commenced with Group:	21 November 2014
Term of agreement:	2 years
Details:	Remuneration for the year ending 30 June 2016 of $180,000 inclusive of superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 3 month termination notice by either party, cash bonus of up to 25% of base salary at the discretion of the Board and the Managing Director, non-solicitation and non-compete clauses.

Name:	Mitchell Ansiewicz
Title:	Group General Manager (Spring Financial Group Pty Ltd)
Agreement commenced:	21 November 2014
Term of agreement:	2 years
Date commenced with Group:	9 May 2011
Details:	Remuneration for the year ending 30 June 2016 of $160,000 inclusive of superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 3 month termination notice by either party, cash bonus of up to $20,000 per quarter at the discretion of the Board and the Managing Director, non-solicitation and non-compete clauses.

Name:	Frank Paul
Title:	Head of Advice Services (Spring Financial Group Pty Ltd)
Agreement commenced:	21 November 2014
Date commenced with Group:	1 May 2014
Term of agreement:	2 years
Details:	Remuneration for the year ending 30 June 2016 of $160,000 inclusive of superannuation, to be reviewed annually by the Nomination and Remuneration Committee. 3 month termination notice by either party, cash bonus of up to $25,000 per quarter at the discretion of the Board and the Managing Director, non-solicitation and non-compete clauses.

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

REMUNERATION REPORT – AUDITED CONTINUED

Additional disclosures relating to key management personnel

Shareholding

All shares held by key management personnel are at their own discretion as there is no specific requirement in the Company's constitution, in executive services agreements or in letters of engagement for key management personnel to hold shares.

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

	Balance at start of year	Additions	Disposals or transfers	Balance at the end of year
Ordinary shares				
Guy Hedley	0	369,370	-	369,370
Jeffrey Zulman	0	119,863	-	119,863
Keith Cullen	34,886,304	134,863	2,115,679*	32,905,488
Chris Kelesis	20,040,024	202,479	1,080,672**	19,161,831
Russell Scott	0	75,000	-	75,000
Mitch Ansiewicz	4,200,000	218,795	-	4,418,795
Frank Paul	3,233,112	1,459,107	51,370***	4,640,849
	62,359,440	**2,579,477**	**3,247,721**	**61,691,196**

* Includes an off-market transfer of 119,863 shares to Guy Hedley at a transfer price of $0.292 per share and off-market transfer of 1,995,816 shares gifted to un-related third-parties.

** Represents off-market transfer of shares gifted to un-related third-parties.

*** Represents an off-market transfer of 51,370 shares to Jeff Zulman at a transfer price of $0.292 per share

This concludes the remuneration report, which has been audited.

INDEMNITY AND INSURANCE OF OFFICERS

The Company has entered into director protection deeds with each Director and an officer protection deed with the company secretary. Under these deeds, the Company has agreed to indemnify, to the extent permitted by the Corporations Act, each officer in respect of certain liabilities which the officer may incur as a result of, or by reason of (whether solely of in part), being or acting as an officer of the Company.

The Company has also agreed to maintain in favour of each officer a directors' and officers' policy of insurance for the period that they are officers and for seven years after they cease to act as officers.

Disclosure of the insurance premiums and the nature of liabilities covered by such insurance are prohibited by the relevant contracts of 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.

ENVIRONMENTAL REGULATION

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

AUDIT AND NON-AUDIT SERVICES

Since incorporation of the Company BDO East Coast Partnership (BDO) has acted as auditor of the parent entity. BDO was appointed as auditor of all Group entities on 24 May 2015 and is the Group's lead auditor. Rothsay Chartered Accountants (Rothsay) was the previous auditor of the subsidiary entities.

During the financial year BDO and Rothsay (and/or their related entities) performed certain other non-audit services in addition to their statutory duties. This included, but was not limited to, BDO Corporate Finance (East Coast) Pty Ltd a related-party to BDO acting in the role of Investigating Accountant associated with the Company's IPO prospectus.

The Board has considered the non-audit services provided by BDO and Rothsay and is satisfied that the provision of those services is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group to ensure they did not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor BDO and Rothsay, and/or their related-party firms for audit and non-audit services provided during the financial year are provided in Note 17 to the financial statements.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2015, has been received and forms part of the Directors' Report. It can be found on page 21 below.

EVENTS SUBSEQUENT TO THE REPORTING DATE

Subsequent to the reporting date the Group entered into a lease over new premises for its Sydney head-office operations, at Level 11, Plaza Building, Australia Square, 95 Pitt Street Sydney. Further details can be found at Note 26 of the financial statements.

ROUNDING OF AMOUNTS

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

Signed in Sydney on 30 September 2015 in accordance with a resolution of the Board of Directors of Spring FG Limited:

Keith Cullen
Managing Director

Chris Kelesis
Executive Director

LEAD AUDITOR'S INDEPENDENCE DECLARATION
Under Section 307C of the Corporations Act 2001

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Level 11, 1 Margaret St
Sydney NSW 2000

Australia

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF SPRING FG LIMITED

As lead auditor of Spring FG Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Spring FG Limited and the entities it controlled during the period.

Grant Saxon
Partner

BDO East Coast Partnership

Sydney, 30 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2015

	Note	2015	2014
		$	**$**
Revenue and other income	2	**14,855,208**	8,107,210
Direct costs to generate revenue	4 a)	**(974,388)**	(1,265,632)
Employee benefits expense	4 a)	**(3,699,446)**	(1,859,756)
Advertising & Marketing		**(413,803)**	(327,774)
Consulting & Professional Fees	4 a)	**(709,086)**	(276,546)
Rental expenses	4 a)	**(1,197,573)**	(729,452)
Other operating expenses	4 b)	**(1,102,179)**	(423,172)
		6,758,733	3,224,878
Less:			
Depreciation & amortisation expense	8 & 9	**(200,911)**	(55,083)
Finance costs	4 a)	**(94,304)**	(121,689)
Profit before income tax		**6,463,518**	3,048,106
Income tax expense	5	**(1,746,640)**	(785,728)
Profit after income tax expense for the year		**4,716,878**	2,262,378
Earnings per share for profit from continuing operations attributable to the owners of Spring FG Limited		**Cents**	Cents
Basic earnings per share	25	**4.57**	3.45
Diluted earnings per share	25	**4.57**	3.45

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	2015 $	2014 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	**1,625,606**	759,250
Trade and other receivables	7	**6,410,801**	3,413,080
Other assets	10	**500,083**	273,586
Total Current Assets		**8,536,490**	4,445,916
Non-current Assets			
Trade and other receivables	7	**5,908,905**	1,405,017
Plant and equipment	8	**535,326**	528,505
Deferred tax assets	16 b)	**530,930**	50,804
Intangible assets	9	**7,744,584**	3,898,873
Other assets	10	**-**	2,157
Total Non-current Assets		**14,719,745**	5,885,356
TOTAL ASSETS		**23,256,235**	10,331,272
LIABILITIES			
Current Liabilities			
Trade and other payables	11	**1,555,248**	1,499,894
Current tax liabilities	16 a)	**1,147,838**	873,239
Employee benefits	12	**167,093**	113,141
Total Current Liabilities		**2,870,179**	2,486,274
Non-current Liabilities			
Deferred tax liabilities	16 a)	**1,531,128**	-
Total non-current liabilities		**1,531,128**	-
TOTAL LIABILITIES		**4,401,307**	2,486,274
NET ASSETS		**18,854,928**	7,844,998
EQUITY			
Issued capital	13	**13,659,962**	6,132,365
Retained earnings	14 a)	**5,194,966**	1,712,633
TOTAL EQUITY		**18,854,928**	7,844,998

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2015

2015	Note	Ordinary Shares $	Retained Earnings $	Total Equity $
Balance at 1 July 2014		6,132,365	1,712,633	7,844,998
Profit attributable to members of parent entity		-	4,716,878	4,716,878
Dividends paid	14 b)	-	(1,234,545)	(1,234,545)
Shares issued during the year	-	7,929,575	-	7,929,575
Transaction costs	13 c)	(401,978)	-	(401,978)
Balance at 30 June 2015		**13,659,962**	**5,194,966**	**18,854,928**

2014	Note	Ordinary Shares $	Retained Earnings $	Total Equity $
Balance at 1 July 2013		526,250	121,759	648,009
Profit attributable to members of parent entity		-	2,262,378	2,262,378
Dividends paid	14 b)	-	(671,504)	(671,504)
Shares issued during the year	-	5,951,038	-	5,951,038
Transaction costs	13 c)	(344,923)	-	(344,923)
Balance at 30 June 2014		**6,132,365**	**1,712,633**	**7,844,998**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2015

	Note	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers)		**9,338,179**	5,219,049
Payments to suppliers and employees		**(8,351,236)**	(4,753,978)
Income tax payment		**(873,237)**	(209,589)
Interest paid/received (net)		**5,903**	(121,689)
Net cash provided by continuing operating activities		**119,609**	133,793
Non-recurring IPO/ASX expenses	4 c)	**(368,782)**	-
Non-recurring expenses in restructuring acquisitions	4 c)	**(432,412)**	-
Non-recurring interest expenses related to acquisition	4 c)	**(78,555)**	-
Net cash provided by (used in) operating activities	21	**(760,140)**	133,793
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		**(102,119)**	(42,851)
Loans to related parties - payments received		**10,563**	150,532
Payment for acquisitions (net of cash acquired)		**(3,063,000)**	(2,653,010)
Net cash provided by (used in) investing activities		**(3,154,556)**	(2,545,329)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issue of shares	13 a)	**6,750,445**	4,272,698
Repayment of borrowings		**-**	(565,001)
Limited recourse loans	7 d)	**(875,000)**	-
Capital raising costs	13 c)	**(401,978)**	-
Dividends paid	14 b)	**(692,415)**	(671,504)
Net cash provided by financing activities		**4,781,052**	3,036,193
Net increase in cash and cash equivalents held		**866,356**	624,657
Cash and cash equivalents at beginning of year		**759,250**	134,593
Cash and cash equivalents at end of financial year	6	**1,625,606**	759,250

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 30 June 2015

The financial report includes the consolidated financial statements and notes of Spring FG Limited (Spring FG or the Company) and its subsidiaries and controlled entities (the Group). The Group is a for-profit group.

Each of the entities within the Group prepares its financial statements in Australian dollars, which is the currency of the primary economic environment in which each of the entities operates, and accordingly the consolidated financial statements are presented in Australian dollars.

NOTE 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out in this Note 1, below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The most relevant of these to the Group are set out in Note 1 x), below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The most relevant to the Group are set out in Note 1 x), below.

Note 1. a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Note 1. b) Principles of Consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the Group have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the Group. All controlled entities have a 30 June financial year end.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (CODM). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Controlled entities

A list of controlled entities is contained in Note 18 to the financial statements.

Parent entity

The Company was incorporated on 10 April 2014 as an interposed holding company above its now subsidiary Spring Financial Group Pty Ltd (itself incorporated on 10 October 2010) in preparation for its ASX listing. The Company owns 100% of the paid-up capital of its subsidiaries.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

A listing of all of the subsidiaries and controlled entities in the Company (including non-operating entities and entities acquired during the period and the prior period) can be found in Note 18 of the financial statements.

Note 1. c) Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date; this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net identifiable assets, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 1. d) Comparative Amounts

Impact of acquisition of comparative amounts

As stated in the Directors' Report the Company acquired PDFG and Digifi during the year. Any pre-acquisition activity is excluded from the financial statements and the comparative amounts.

In the previous year the Company acquired the business and assets of Moneytree Partners Pty Ltd and its related entities (MTP), on 1st May 2014. The comparative amounts in the financial statements only include activity from the date of acquisition while they include a full-year's activity for the 2015 financial year.

At year-end FY2014 (and 31 December 2014) the Company had provisionally accounted for the acquisition of MTP. At 31 December 2014 the Company had provisionally accounted for the acquisition of PDFG. The values now identified herein in relation to the acquisitions are final. In the case of MTP FY2014 comparatives have been adjusted to reflect the final values. See Note 24 below for details.

Share-based comparative amounts

On 11 November 2014 the members of the Company resolved that the issued share capital of the Company be converted on the basis that every one ordinary share in the Company was converted into 24 ordinary shares. This resulted in the then 4,115,115 shares on issue increasing to 98,763,624 shares on issue.

Accordingly, all share-number-based references, including but not limited to, references to the number of shares on issue, earnings-per-share, asset backing and dividend-per-share in the period and comparative period have been adjusted to reflect the 24-1 conversion.

References to comparative trade & other payables

The Group's FY2014 financial statements included a typographical error in the amount of 'Other payables' stated in 'Trade & other payables' entries in Note 10. In that Note an erroneous amount of $182,694 was entered instead of the correct entry of $85,093. That error resulted in a totalling error with 'Total trade & other payables' stated as $1,597,495 in that note, instead of the correct entry of $1,499,894. It should be noted that the corresponding statement of financial position entries in the Group's FY2014 financial statements correctly stated both figures however. In the equivalent note herein (Note 11) the FY2014 comparatives reflect the corrections and correspond to the comparative statement of financial position entries.

Note 1. e) Income Tax

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

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

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits.
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.
- Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

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

Spring FG Limited (the ‘parent entity’ and ‘head entity’) and its wholly-owned subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

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

Note 1. f) Current and non-current classification

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

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

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

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

Note 1. g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases.

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

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Note 1. h) Revenue recognition

Revenue of the Group is primarily from financial advice and planning fees, investment advice and execution fees; referral and/or commission fees associated with finance, financial product and real property investments; and accounting and tax services.

Revenue received or receivable by the Group relates to the provision of services rather than the sale of goods. The Group generally does not resell products or services and does not carry stock nor hold legal right or title over any goods.

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue, as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable, after taking into account any discounts and rebates allowed. Revenue is stated net of the amounts of the goods and services tax (GST).

Revenue is generally recognised when services and financial products are transferred to clients and it is probable that the Group will receive consideration from or associated with the clients or suppliers who have accepted to make payment for those services rendered and financial products received.

To ensure its financial statements accurately reflect the resulting revenue and profits generated through the delivery of services during a reporting period the Group may bring work-in-progress to account relative to its stage of completion in circumstances when singularly or in the aggregate it is material.

Work-in-progress revenue and expenses entries during a period may relate to:

- Professional financial services
- Financial product and real property investments referral fee and commission revenue
- Accounting and tax services

Work-in-progress revenue is only recognised when: the amount of revenue can be measured reliably and the Group is able to assume that it is probable that the economic benefits associated with the transaction will flow to it; there are standing arrangements with the Group's clients and/or third-parties as to each relevant party's enforceable rights regarding the service to be provided and received by the parties, the consideration to be exchanged, and the manner and terms of settlement; and historical outcomes provide that the stage of completion can be reliably estimated; and the costs incurred for work in progress transactions and the costs to complete any outstanding components of work-in-progress transactions can be measured reliably and an appropriate accrual or expense allocation can be recorded in the accounts.

As set out in Note 1 y), below, in circumstances whereby the Group considers it is no longer probable that the economic benefits associated with work in progress transactions will flow to it for any reason work in progress revenue entries are reversed through an entry to the profit and loss statement.

Note 1. i) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Note 1. j) Plant and Equipment

Classes of plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a reducing value method from the date that management determine that the asset is available for use. Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	**Depreciation rate**
Plant & Equipment, Furniture, Fixtures & Fittings	10% - 20%
Leasehold improvements	16.66%
Low Value Asset Pool	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Note 1. k) Financial instruments

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

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

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flow.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated cash flows, discounted at the current market rate of return for similar financial assets.

Note 1. l) Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost.

Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the de-recognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period:

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Insurance & Finance revenue books

Insurance and finance revenue books acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit. The expected benefit of an insurance revenue book is 15 years. The expected benefit of a finance revenue book acquired is 7.5 years.

Marketing Databases

Lead databases acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, considered to be 10 years.

eBook library

The eBook library acquired in a business combination is amortised on a straight-line basis over the period of their expected benefit, considered to be 10 years.

Any costs associated with adding to the eBook library or significantly updating existing eBooks are capitalised and considered to be a 'new' eBook which is them amortised over its useful life. The useful life of an eBook is considered to be 10 years.

Note 1. m) Impairment of non-financial assets

At the end of each reporting period, the Group determines whether there is an evidence of any impairment indicator for non-financial assets. Where an indicator of impairment exists, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Note 1. n) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Note 1. o) Trade and other receivables

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

Trade receivables for professional service fees and accounting & tax services are generally within 30 to 60 days.

Trade receivables include real property investment referral fees and commissions associated with residential property projects that the Group's clients have invested in that are yet to be completed. The timing of cash receipts associated with these receivables is generally split into an initial component (upfront) with a second component of up to 50% linked to the completion date of such projects (backend).

In many cases these trade receivables relate to major residential projects by Australia's leading public and private developers that commonly take in excess of 18 months to complete (and with significant projects of scale occasionally up to 3 years).

Trade receivables that relate to projects that the Group anticipates will not be completed within 12 months are categorised as non-current. All upfront components and backend components relative to projects that the Group anticipates will be completed within 12 months are categorised as current.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired.

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

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

Note 1. p) Trade and other payables

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

Note 1. q) Employee benefits

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and leave entitlements are expected to be settled within 12 months of the reporting date and recognised in current liabilities in respect of employees' services up to the reporting date; measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 1. r) Provisions

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

Note 1. s) Fair value measurement

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

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

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement. For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 1. t) 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.

Note 1. u) Dividends

Dividends payable to shareholders are recognised when declared during the financial year and no longer at the discretion of the Company.

Note 1. v) Dividend Reinvestment Plan (DRP)

The Company operates a Dividend Re-Investment Plan (DRP) that offers shareholders the opportunity to purchase additional shares in the Company by reinvesting part or all of their periodic dividends.

The Directors will only operate the DRP where they have formed the view that the benefits derived from the capital raised through the DRP will exceed the costs associated with it.

Under the terms of the DRP the Directors have the ability to limit the amount of dividend which may be invested in subscription for shares under the DRP; determine the issue price for each issue of shares under the DRP and (for so long as the Company is listed on the ASX) determine the discount to the weighted average market price that will be used to calculate the issue price for each issue of shares under the DRP; and suspend, amend or terminate the DRP.

The impact of the DRP relative to dividends paid during the period is set out in Note 14 c), below.

Note 1. w) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

Note 1. x) Adoption of new and revised accounting standards

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The most relevant to the Group are as follows:

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The Group has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards that are relevant to the Group:

AASB 8 'Operating Segments' amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker;

AASB 116 *'Property, Plant and Equipment'* and AASB 138 *'Intangible Assets'*: clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset;

AASB 124 *'Related Party Disclosures'*: extends the definition of 'related party' to include a management entity that provides key management personnel services to the entity or its parent and requires disclosure of the fees paid to the management entity;

AASB 140 *'Investment Property'*: clarifies that the acquisition of an investment property may constitute a business combination.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2015. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance.

Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Group.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied.

Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers.

For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment.

Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Group will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the Group.

Note 1. y) Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables

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

Estimation of useful lives of assets

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

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1(m). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Provision for employee benefits

As discussed in note 1(q), the liability for employee benefits expected to be settled within 12 months from the reporting date.

Where employee benefits are expected to be settled more than 12 months from the reporting date these are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Work-in-progress

In circumstances where it is material in the singular or aggregate and when the amount of revenue can be measured reliably and the Group is able to assume that it is probable that the economic benefits associated with the transaction will flow to it, work-in-progress (WIP) may be recognised as revenue.

The Group has developed an effective internal financial budgeting and reporting system to track, analyse and test work-in-progress.

The Group tests monthly for, and adjusts work-in-progress entries relative to: estimated stage of completion; actual invoicing against the prior months' carried forward work-in-progress; any changes to each relevant party's enforceable rights regarding the service to be provided and received by the parties, the consideration to be exchanged, and the manner and terms of settlement; costs incurred for the transactions and the costs to complete any outstanding components of work-in-progress transactions; and historical outcomes.

In circumstances where work in progress has been brought to account during a period, at the end of a reporting period the Group's internal systems are utilised to measure the stage of completion of each transaction and estimate the economic benefits that will flow to the Group associated with each WIP item and a final adjustment made with resulting adjustments made to the carrying value of WIP.

In circumstances whereby the Group considers it is no longer probable that the economic benefits associated with the transaction will flow to it for any reason, or that it will not flow to it within a timely manner, work in progress entries are reversed through appropriate entries to the Group's financial statements. The judgement of a timely manner varies from item to item but generally if it is not considered probably that the item will be invoiced within 90 days of the need of the period the item is not brought to account.

Work-in-progress in tracked on a single client and client group basis and assessed and brought to account on a single WIP item basis. WIP items include:

- Professional service fee items
- Property investment fee items
- Self managed superannuation fund (SMSF) establishment fee items
- Insurance fee items

The nature of each of these items varies as do the estimations and judgements used to assess each item.

- Professional service fee items relate to fees to clients for the creation or implementation of financial planning strategies and investments, and/or the provision of accounting and taxation services. The associated economic benefit is by way of service fees that have been disclosed and agreed with the client and that are invoiced directly to and payable by the client associated with the items.
- Property investment fee items relate to clients' specific property investments where the associated economic benefit is by way of referrals fees invoiced to third-parties that have been disclosed to the client and agreed with the relevant third-party.
- Self managed superannuation fund (SMSF) establishment fee items relate to the establishment of SMSFs for clients associated where the economic benefit is by way of service fees that have been disclosed and agreed with the client and that are invoiced directly to and payable by the client associated with the item.

- Insurance fee items relate to clients' specific insurance policies established or renewed for clients where the associated economic benefit is by way of referrals fees or commissions invoiced to third-parties (generally on a recipient generated basis) that have been disclosed to the client and agreed with the relevant third-party.

In circumstances where WIP is brought to account it is on the basis that there are standing arrangements with the Group's clients and/or third-parties as to each relevant party's enforceable rights regarding the service to be provided and received by the parties, the consideration to be exchanged, and the manner and terms of settlement.

In circumstances where WIP is brought to account the costs incurred for work in progress transactions and the costs to complete any outstanding components of work-in-progress transactions are measured and an appropriate accrual or expense allocation is recorded in the accounts.

The tables in Note 7 e), detail the WIP items brought to account in the FY2015 consolidated financial statements by number of items, initial value, value brought to account at 30 June2015. The tables also provide details on the subsequent invoicing associated with the items subsequent to the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

NOTE 2. Revenue & Other Income

Total revenue & other income

The following amounts have been included in the revenue and other income line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2015	2014
	$	$
Sales revenue - provision of services	**14,708,165**	7,498,799
Finance income - other interest received	**21,652**	21,083
Total operating income	**14,729,817**	7,519,882
Other Income		
Income from terminated contracts & arrangements	**97,597**	582,369
Rental income	**26,552**	4,959
Other income	**1,242**	-
Total other income	**125,391**	587,328
Total Revenue	**14,855,208**	8,107,210

Finance income

Finance income includes all interest-related income, other than that arising from financial assets at fair value through profit or loss.

Income from terminated contracts

Income from terminated contracts relates to gain on termination of contracts and arrangements associated with acquisitions and/or discontinuing staff.

Rental income

Rental income relates to a sub-lease arrangement at the Group's Sydney offices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

NOTE 3. Segment Reporting

Year ended 30 June 2015	Financial planning, investment advice, & product sales	Accounting & tax services	Unallocated	Total
	$	$	$	$
Sales to external customers	13,303,975	1,330,351	73,839	14,708,165
Other revenue	97,597	-	27,794	125,391
Interest received	0	0	21,652	21,652
Total revenue	**13,401,572**	**1,330,351**	**123,285**	**14,855,208**
EBITDA	6,743,662	729,375	86,890	7,559,927
Depreciation & amortisation	(193,764)	(7,147)	-	(200,911)
Interest expense	-	-	(94,304)	(94,304)
Acquisition costs			(432,412)	(432,412)
Capital raising costs			(368,782)	(368,782)
Net profit before tax	**6,549,898**	**722,228**	**(808,608)**	**6,463,518**
Income tax expense	-	-	(1,746,640)	(1,746,640)
Profit after income tax	**6,549,898**	**722,228**	**(2,555,248)**	**4,716,878**
Total assets	15,863,404	2,203,480	5,189,351	23,256,235
Total liabilities	(1,303,718)	(114,134)	(2,983,455)	(4,401,307)
Net assets	**14,559,686**	**2,089,346**	**2,205,896**	**18,854,928**

As at 30 June 2014 the Group consisted of only one segment being financial planning, investment advice and product sales.

Capital expenditure during the year amounted to $102,019 - unallocated to any segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

NOTE 4. Expenses

Note 4. a) Details of total expenses

The following amounts have been included as expenses in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	Note	2015	2014
		$	$
Direct costs to generate revenue			
Direct Financial Planning costs		**768,604**	174,561
Direct Accounting Services costs		**77,249**	-
Direct Real Property costs		**35,277**	1,091,071
Direct Finance Services costs		**93,258**	-
		974,388	1,265,632
Employee benefits expense			
Amounts paid to continuing staff		**3,468,248**	1,859,756
Discounting staff relating to PDFG acquisition	4 c)	**231,198**	0
		3,699,446	1,859,756
Advertising & Marketing		**413,803**	327,774
Consulting & professional fees			
Consulting and other professional fees		**328,754**	276,546
Professional fees relating to IPO and ASX listing	4 c)	**368,782**	-
Professional fees relating to acquisition of PDFG	4 c)	**11,550**	-
		709,086	276,546
Rental expenses			
Rent & outgoings paid on continuing premises		**1,061,619**	729,452
Premises not required (relating to PDFG)	4 c)	**135,954**	-
		1,197,573	729,452
Other operating expenses	4 b)		
Related to continuing business		**1,048,469**	415,493
Related to acquisition/restructuring	4 c)	**53,710**	7,679
		1,102,179	423,172
Depreciation & amortisation expense			
Fixed assets		**95,298**	41,250
Intangible assets		**105,613**	13,833
		200,911	55,083
Finance costs			
Interest paid		**15,749**	121,689
Finance costs related to acquisition of PDFG		**78,555**	-
		94,304	121,689
Total expenses (excluding tax)		**8,391,690**	5,059,104

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through the profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

Note 4. b) Other expenses

The table below details the breakdown of expense categorised in the Group's accounts as Other Expenses.

	Note	2015	2014
		$	$
Travel & accommodation		**74,595**	56,755
IT and telephone expenses		**268,236**	56,247
Insurance		**228,275**	75,184
Licences, memberships & subscriptions		**163,553**	48,997
Office equipment and other leases		**105,240**	45,390
Bad debts written-off		**72,514**	-
Provision for doubtful debts		**40,760**	41,485
Printing, stationery, postage & couriers		**78,508**	39,214
Other expenses		**16,788**	66,055
		1,048,469	429,327
Acquisition costs (relating to acquisition of PDFG)	4 c)	**53,710**	-
Restructuring costs		-	7,679
		1,102,179	437,006

Note 4. c) Non-recurring expenses

During the year the following non-recurring expenses were incurred and have been included as expenses in the statement of profit or loss and other comprehensive income for the reporting periods presented.

	2015	2014
	$	$
Accountancy fees	**84,720**	-
Legal fees	**198,645**	-
Consultancy fees	**85,417**	-
	368,782	0

	2015	2014
	$	$
Rent paid of premises not required	**135,954**	-
Redundancies and termination costs	**170,152**	-
Staff not continuing	**61,046**	-
Other non-recurring expenses	**65,260**	7,679
Interest paid relating to acquisition of PDFG	**78,555**	
	510,967	7679
	879,749	7,679

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

NOTE 5. Income tax expense

Note 5. a) The major components of tax expense comprise:

	Note	2015 $	2014 $
Current tax payable		**1,147,838**	873,239
Deferred tax origination and reversal of temporary differences		**598,804**	(9,350)
Adjustment recognised for prior period		-	(78,161)
Aggregate income tax expense		**1,746,640**	785,728
Deferred tax included in income tax expense comprising:			
Increase in movement in deferred tax asset	16 c)	**480,126**	9,350
Less:			
Increase in movement in deferred tax liability	16 a)	**1,078,930**	-
Deferred tax origination and reversal of temporary differences		**598,804**	9,350

Note 5. b) Reconciliation of income tax to accounting profit:

	Note	2015 $	2014 $
Profit		**6,463,518**	3,048,106
Tax		**30%**	30%
		1,939,055	914,432
- amortisation of intangibles		**31,687**	-
- other non-deductible expenses		**(180,718)**	59,096
- blackhole expenses		**(43,384)**	(309)
- other deductible items		**-**	(99,980)
- prior losses previously not brought to account		**-**	(87,511)
		1,746,640	785,728

NOTE 6. Cash and cash equivalents

	2015	2014
	$	$
Cash at bank and in hand	**1,625,606**	759,250
	1,625,606	759,250

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2015	2014
	$	$
Cash and cash equivalents	**1,625,606**	759,250
Balance as per statement of cash flows	**1,625,606**	759,250

The Group's approach to managing risk exposure associated with cash and cash equivalents is set out in Note 15, below.

NOTE 7. Trade & other receivables and work-in-progress

Note 7. a) Details of trade & other receivables

	Note	2015	2014
Current		**$**	**$**
Trade receivables	7 b)	**4,263,214**	3,160,212
Provision for impairment	7 c)	**(82,245)**	(41,485)
		4,180,969	3,118,727
Work-in-progress	7 e)	**1,915,816**	-
Loans to related parties		**277,290**	287,853
Other receivables		**36,726**	6,500
Total current trade and other receivables		**6,410,801**	3,413,080

	Note	2015	2014
Non-current		**$**	**$**
Trade receivables	7 b)	**3,511,085**	1,405,017
Work-in-progress	7 e)	**1,522,820**	-
Limited recourse loan	7 d)	**875,000**	-
Total non-current trade and other receivables		**5,908,905**	1,405,017

Ageing of receivables provided for above are as follows:

	2015	2014
	$	**$**
0 to 3 months	**3,915,736**	2,724,244
Over 3 months	**3,858,563**	2,093,853
	7,774,299	4,818,097

Note 7. b) Current & non-current trade receivables

As set out in Note 1 o), above, trade receivables include real property investment referral fees and commissions associated with residential property projects that the Group's clients have invested in that are yet to be completed. The timing of cash receipts associated with these receivables is generally split into an initial component (upfront) with a second component of up to 50% linked to the completion date of such projects (backend).

Trade receivables that relate to projects that the Group anticipates will not be completed within 12 months are categorised as non-current. All upfront components and backend components relative to projects that the Group anticipates will be completed within 12 months are categorised as current.

Note 7. c) Impairment of receivables

Movements in the provision for impairment of receivables are as follows:

	Note	2015	2014
		$	$
Opening balance		**41,485**	-
Additional provisions recognised	7 (g)	**40,760**	41,485
Closing balance		**82,245**	41,485

Note 7. d) Limited recourse loans

The statement of financial position entry of Other Receivables includes a total of $875,000 owed to the Company with respect to Limited Recourse Loan agreements.

In April 2014 the Company offered to grant KTM Capital Pty Limited or its nominees (KTM) a limited recourse loan of up to $1,050,000 for it or its nominee/s to subscribe for up to 3,600,000 shares at an issue price of $0.292. On 30 October 2014 a two-year loan agreement was entered into between the Company and KTM under which with KTM nominees, Equitas Nominees Pty Ltd and TM Consulting Pty Ltd subscribed for 1,800,000 fully paid ordinary shares each in the Company at $0.292 per share.

The loan is a limited recourse loan over the shares held by KTM Capital's nominees and is repayable on the sale of those shares. The loan accrues interest equal to the dividends paid on the shares acquired with the loan (disregarding franking) and is payable within two business days of payment of the dividend.

The closing balance of the loan as at 30 June 2015 was $800,000 accounting for a $250,000 repayment by KTM satisfied by way of offset of an underwriting and management fee payable to KTM with respect to its role as underwriter and manager of the Company's IPO and ASX listing.

Additionally, the Company granted a two-year loan for $75,000 to non-executive director and Chairman Mr Guy Hedley to enable him to subscribe for 250,000 shares at the issue price of $0.30 per share under the Company's IPO.

The loan is a limited recourse loan over the shares held by Mr. Hedley. The loan accrues interest equal to the dividends paid on the shares acquired with the loan (disregarding franking) and is payable within two business days of payment of the dividend.

The loan is unsecured and is repayable by the earlier of 13 March 2017 and the date Mr Hedley resigns as a Director or the date Mr Hedley becomes ineligible to remain in the office as a Director. The closing balance of the loan as at 30 June 2015 was $75,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

Note 7. e) Work in progress

The tables below set out the breakdown of work-in-progress at the reporting date:

The tables below provide details of the work-in-progress prior to and brought to account at the reporting date. They also provide details of WIP files invoiced subsequent to the reporting date.

Table 1, below shows the total number of WIP items associated with the WIP brought to account at the reporting date.

Table 1	**Number of item files**	**Invoiced prior to 30 June 2015**	**Brought to account at 30 June 2015**	**Invoiced subsequent 30 June 2015**	**Open at 22 September 2015**
	Number	**Number**	**Number**	**Number**	**Number**
Property investment fees	173	67	106	72	31
Professional service fees	132	81	51	48	8
SMSF establishment fees	78	40	38	35	3
Insurance policy fees	34	0	34	22	-
Total WIP values	**417**	**188**	**229**	**177**	**42**

Table 2, below shows the total value of the WIP items in Table 1 and a breakdown of the value of each type of item brought to account at the reporting date.

Table 2	**Initial value of WIP**	**Invoiced prior to 30 June 2015**	**Brought to account at 30 June 2015**	**Invoiced subsequent 30 June 2015**	**Open at 22 September 2015**
	$	**$**	**$**	**$**	**$**
Property investment fees	4,967,560	1,921,920	3,045,640	2,137,510	908,130
Professional service fees	432,800	223,300	209,500	154,500	55,000
SMSF establishment fees	153,500	77,000	76,500	67,800	8,700
Insurance policy fees	106,996	0	106,996	106,996	0
Total WIP values	**5,660,856**	**2,222,220**	**3,438,636**	**2,466,806**	**971,830**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

Note 7. f) Credit risk

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'trade and other receivables' is considered to be the main source of credit risk related to the Group.

The following table details the Group's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Group and the customer or counter party to the transaction.

Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table in Note 7. g) below) are considered to be of high credit quality.

Note 7. g) Impairment of trade & other receivables

	Gross amount $	Past due & impaired $	Within initial trade terms $
2015			
Trade & term receivables	12,087,935	(82,245)	12,005,690
Other receivables	314,016	-	314,016
Total	**12,401,951**	**(82,245)**	**12,319,706**
2014			
Trade & term receivables	4,567,746	(41,485)	4,526,261
Other receivables	291,836	-	291,836
Total	4,859,582	(41,485)	4,818,097

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The Group does not hold any collateral over any receivables balances. The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The other classes of receivables do not contain impaired assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

NOTE 8. Plant & equipment

Note 8. a) Details of plant & equipment

	2015 $	2014 $
Computer & office equipment		
At cost	**84,661**	70,071
Accumulated depreciation	**(41,370)**	(28,953)
Total plant and equipment	**43,291**	41,118
Furniture, fixtures & fittings		
At cost	**520,777**	485,549
Accumulated depreciation	**(115,921)**	(30,877)
Total furniture, fixtures and fittings	**404,856**	454,672
Computer software & website development		
At cost	**95,839**	29,690
Accumulated depreciation	**(12,470)**	(685)
Total computer software and website development	**83,369**	29,005
Leasehold improvements		
At cost	**4,535**	3,795
Accumulated depreciation	**(725)**	(85)
Total improvements	**3,810**	3,710
Total plant & equipment	**535,326**	528,505

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

Note 8. b) Carrying values of plant & equipment

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

2015 Consolidated	Computer & office equip.	Furniture, fixtures & fittings	Software & website dev	Leasehold office improv.	Total
	$	$	$	$	$
Balance beginning of year	41,118	454,672	29,005	3,710	528,505
Additions	14,481	20,650	66,149	739	102,019
Depreciation expense	(12,408)	(70,466)	(11,785)	(639)	(95,298)
Balance end of the year	**43,191**	**404,856**	**83,369**	**3,810**	**535,226**

2014 Consolidated	Computer & office equip.	Furniture, fixtures & fittings	Software & website dev	Leasehold office improv.	Total
	$	$	$	$	$
Balance beginning of year	41,354	-	-	-	41,354
Additions	9,367	485,549	29,690	3,795	528,401
Depreciation expense	(9,603)	(30,877)	(685)	(85)	(41,250)
Balance end of the year	41,118	454,672	29,005	3,710	528,505

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

NOTE 9. Goodwill & Intangibles

Note 9. a) Details of goodwill & intangibles

	Note	2015 $	2014 $
Goodwill	24		
Financial advice business – at cost		**4,550,556**	2,405,101
Accounting & tax business – at cost		**1,480,000**	750,000
Total Goodwill		**6,030,556**	3,155,101
Intangible assets	24		
Insurance / Finance income book			
Cost		**1,173,125**	409,375
Amortisation		**(69,723)**	-
Net carrying value		**1,103,402**	409,375
Finance income book			
Cost		**198,000**	75,000
Amortisation		**(23,667)**	-
Net carrying value		**174,333**	75,000
Lead Database			
Cost		**53,700**	53,700
Amortisation		**(3,973)**	-
Net carrying value		**49,727**	53,700
eBook Library			
Cost		**82,500**	82,500
Amortisation		**(8,250)**	-
Net carrying value		**74,250**	82,500
Other intangible assets			
Cost		**126,143**	137,030
Amortisation		**-**	(13,833)
Net carrying value		**126,143**	123,197
Total Net Intangible Assets		**1,527,855**	557,599
Total Net Goodwill & Intangible Assets		**7,744,584**	3,898,873

At year-end FY2014 (and 31 December 2014) the Company had provisionally accounted for the acquisition of MTP. At 31 December 2014 the Company had provisionally accounted for the acquisition of PDFG. The values now identified herein in relation to the acquisitions are final. In the case of MTP FY2014 comparables have been adjusted to reflect the final values. See Note 24, below for details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

Note 9. b) Movement in goodwill

The tables below set out the opening and closing balances of goodwill, adjusted for additions through business combinations, during the year and the previous year.

	Note	2015 $	2014 $
Balance beginning of year		3,341,274	621,086
Additions - business combinations	24	2,689,283	2,720,188
Impairment		-	-
Closing value 30 June 2015		**6,030,557**	**3,341,274**

Note 9. c) Movement in intangibles

The tables below set out the opening and closing balances of intangible assets, adjusted for additions through acquisitions and investments and amortisation adjustments, during the year and the previous year.

2015 Consolidated	Insurance & finance books $	Marketing database $	eBook Library $	Other $	Total $
Balance beginning year	484,375	53,700	82,500	123,197	743,772
Additions	886,750	-	-	2,946	889,696
Deferred tax liability				(452,198)	(452,198)
Amortisation	(93,390)	(3,973)	(8,250)	-	(105,613)
30 June 2015	**1,277,735**	**49,727**	**74,250**	**(326,055)**	**1,075,657**

2014 Consolidated	Insurance & finance books $	Marketing database $	eBook Library $	Other $	Total $
Balance beginning year	-	-	-	137,030	137,030
Additions	484,375	53,700	82,500	-	620,575
Deferred tax liability				-	0
Amortisation	-	-	-	(13,833)	(13,833)
30 June 2014	484,375	53,700	82,500	123,197	743,772

Note 9. d) Intangible asset amortisation

Intangible assets, other than goodwill have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense in the statement of profit or loss and other comprehensive income. Goodwill has an indefinite life and is not amortised (refer Note 9. e) below).

Note 9. e) Impairment disclosures

For the purpose of impairment testing, goodwill is allocated to cash-generating units which are based on the Group's operating divisions. The aggregate carrying amount of goodwill allocated to each CGU is:

	2015	2014
	$	$
Financial planning, investment advice, & product sales	**4,284,531**	2,405,101
Accounting & taxation services	**1,480,000**	750,000
Total	**5,764,531**	3,155,101

The recoverable amount of each cash-generating unit above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 5-year period with the period extending beyond three years cashflow forecast extrapolated using an estimated growth rate which does not exceed the long-term growth rate for the industry. The cash flows are discounted using the yield of 5-year government bonds at the beginning of the budget period adjusted for the specific risks relating to the asset.

The following assumptions were used in the value-in-use calculations:

	Growth Rate		Discount Rate	
	2015	2014	2015	2014
Financial Planning, investment advice & product sales	**3.00%**	10.00%	**20.00%**	20.00%
Accounting & Taxation Services	**3.00%**	10.00%	**20.00%**	20.00%

Management has based the value-in-use calculations on budgets for each reporting segment. These budgets use historical weighted average growth rates to project revenue. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period which are consistent with inflation rates applicable to the locations in which the segments operate.

Sensitivity to change of assumptions

As disclosed in note 1 (y), the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

(a) Profit would need to decrease by more than 50% for the financial planning, investment advice & product sales division before goodwill would need to be impaired, with all other assumptions remaining constant.

(b) The discount rate would be required to increase by 10% for the financial planning, investment advice & product sales division before goodwill would need to be impaired, with all other assumptions remaining constant.

(c) Profit would need to decrease by more than 25% for the accounting & taxation division before goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 10% for the accounting & taxation division before goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of either the financial planning, investment advice & product sales division's or the accounting & taxation division's goodwill is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, this would result in an impairment charge for the identified division's goodwill.

NOTE 10. Other non-financial assets

Other non-financial assets

	2015	2014
Current	**$**	**$**
Prepayments	**293,841**	187,872
Accrued income	**116,920**	31,303
Other assets & receivables	**89,322**	54,411
	500,083	273,586
Non-current		
Other asset	**0**	2,157
	0	2,157

NOTE 11. Trade & other payables

Trade & other payables

	2015	2014
	$	**$**
Current		
Trade payables	**290,741**	748,429
GST payable	**298,341**	170,429
Accrued expenses	**966,166**	358,443
Advance against commission	**-**	137,500
Other payables	**-**	85,093
	1,555,248	1,499,894

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

NOTE 12. Employee benefits

	2015	2014
	$	**$**
Leave entitlements due to employees	**167,093**	113,141
	167,093	113,141

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

NOTE 13. Issued Capital

Note 13. a) Share capital

	FY2015		FY2014	
	Shares	**$**	**Shares**	**$**
Balance at beginning of reporting period	**90,020,760**	**6,132,365**	60,360,000	526,250
Issued during the year				
Issued 10 April 2014	-	-	72	3
Issued 17 April 2014	-	-	10,800,000	450,000
Issued 3 May 2014	-	-	14,742,984	4,300,037
Issued 7 May 2014	-	-	3,233,112	942,992
Issued 30 June 2014	-	-	884,592	258,006
Issued 28 August 2014	**5,142,864**	**1,500,002**	-	-
Issued 30 October 2014	**3,600,000**	**1,050,000**	-	-
Issued 12 December 2014	**1,858,128**	**542,573**	-	-
Issued 23 February 2015	**14,833,333**	**4,450,000**	-	-
Issued 12 May 2015	**919,240**	**387,000**	-	-
Total for period	**26,353,565**	**7,929,575**	29,660,760	5,951,038
Share issue costs		**(401,978)**		(344,923)
Balance at end of reporting period	**116,374,325**	**13,659,962**	90,020,760	6,132,365

Note 13. b) Ordinary shares

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Group. On a show of hands at meetings of the Group, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. The Group does not have authorised capital or par value in respect of its shares.

Note 13. c) Share issue costs

The table below details the capitalised transaction costs associated with the capital raisings and the issuance of shares during the period and comparative period.

	FY2015	FY2014
	$	**$**
Accounting fees	**85,280**	14,000
Legal fees	**22,896**	42,008
Consultancy fees	**1,296**	30,909
Prospectus production	**15,960**	
Underwriting fee & management fees	**250,000**	258,006
Share issuance fees	**15,221**	
Capital raising promotion	**11,325**	
	401,978	344,923

Note 13. d) Capital management

Capital of the Group is managed in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and to ensure that the Group can fund its operations and continue as a going concern.

The Group's capital comprises of share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements, except base level financial requirements prescribed in the Australian Financial Services Licence held by the Company's subsidiary Spring Financial Group Pty Ltd.

The Group monitors capital through the gearing ratio, which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is defined as equity per the statement of financial position plus net debt.

NOTE 14. Equity

Note 14. a) Retained profits

	Note	2015 $	2014 $
Retained profits at the beginning of the financial year		**1,712,633**	121,759
Profit after income tax expense for the year		**4,716,878**	2,262,378
Dividends paid	14b)	**(1,234,545)**	(671,504)
Retained profits at the end of the financial year		**5,194,966**	1,712,633

Note 14. b) Dividends

During the financial year ended 30 June 2015, a final fully-franked dividend for 2014 of $0.0125 per ordinary share was declared and paid on 12 December 2014 with the total dividend being $1,234,545.

The following dividends were declared and paid	2015 $	2014 $
Final franked ordinary dividend	**(1,234,545)**	(671,504)
Total dividends	**(1,234,545)**	(671,504)

Note 14. c) Dividend Re-investment Plan (DRP)

The Company's DRP operated in full with respect to the dividend set out in Note 14 b), above. A total of 1,858,128 shares at an issue price of $0.0292 were issued under the DRP (see Note 13 b), above) representing a total of $542,130. Of the balance of $691,972 a total of $131,842 was paid out in cash and a further $560,130 paid in offset as repayment of related party (director) loans (see Note 20 c), below).

Note 14. d) Franking credits

A final fully-franked dividend of $0.0125 per ordinary share was declared and paid on 12 December 2014 (FY2014 $0.0081 fully franked and $0.003 unfranked) with the total dividend being $1,234,545 (FY2014 $671,504).

Franking credits	2015 $	2014 $
Opening franking account balance	**-**	-
Company tax paid	**873,274**	209,591
Franked dividends paid	**(529,091)**	(209,591)
Closing franking account balance	**344,183**	0

NOTE 15. Financial Risk Management

Financial risk management summary

The Group is exposed to a variety of financial risks through its use of financial instruments. This note discloses the Group's objectives, policies and processes for managing and measuring these risks.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Group does not speculate in financial assets.

The most significant financial risks to which the Group is exposed to are described below:

Specific risks

- Credit risk
- Liquidity risk

Financial instruments used

The principal categories of financial instrument used by the Group are:

- Trade receivables
- Cash at bank
- Trade and other payables

Objectives, policies and processes

Risk management is carried out by the Directors.

The Audit & Risk Committee has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Group. These policies and procedures are then approved by the Directors.

Reports are presented to the Directors regarding the implementation and management of these policies.

Specific information regarding the mitigation of each financial risk to which Group is exposed is provided below.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.
The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods.

The Group manages its liquidity needs by carefully monitoring its cash-outflows due in day-to-day business.

Liquidity-needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity-needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, the Group expects to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any financing facilities.

The Group's liabilities have contractual maturities which are summarised below:

	1 to 3 months		**3 months to 1 year**	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Trade & other payables	**1,555,248**	1,499,894	**-**	-
Other financial liabilities - tax liabilities	**-**	873,239	**1,147,838**	-
Total	**1,555,248**	2,373,133	**1,147,838**	0

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until their credit-worthiness can be re-established.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Directors receive regular reports summarising the turnover, trade receivables balance and aging profile of customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets with financial institutions is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

NOTE 16. Tax Liabilities

Note 16. a) Current & deferred tax liability

	Note	2015	2014
		$	$
Current income tax payable		**1,147,838**	873,239
Deferred income tax liability		**1,531,128**	-
Total income tax liability		**2,678,966**	873,239

The deferred tax liability in the table above comprises $452,198 of non-current liability associated with the amortisation of identifiable intangible assets acquired through the business combinations set out in Note 24 below; and a further $1,078,930 of deferred liability relating to work-in-progress.

Note 16. b) Recognised deferred tax assets

	Note	2015	2014
		$	$
Deferred tax assets	16 c)	**530,930**	50,804

Note 16. c) Movements in recognised deferred tax assets

	Opening Balance	Charged to Income	Closing Balance
	$	$	$
Provisions	13,946	10,728	**24,674**
Provisions - employee benefits	32,521	17,607	**50,128**
Accruals	3,098	41,478	**44,576**
Costs related to work-in-progress	-	142,859	**142,859**
Blackhole expenses	1,239	267,454	**268,693**
Balance at 30 June 2015	50,804	480,126	**530,930**

2014 Deferred tax assets	Opening Balance	Charged to Income	Closing Balance
	$	$	$
Provisions	2,250	11,696	13,946
Provisions - employee benefits	39,204	(6,683)	32,521
Accruals	-	3,098	3,098
Blackhole expenses	-	1,239	1,239
Balance at 30 June 2014	41,454	9,350	50,804

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

NOTE 17. Remuneration of auditors

Note 17. a) Auditing or review of financial reports

The table below show the amounts paid to BDO East Coast Partnership (BDO), the auditor of the parent entity, and Rothsay Chartered Accountants (Rothsay), the previous auditor of the subsidiary entities. BDO was appointed as auditor of all group entities on 24 May 2015.

	2015 $	2014 $
Auditing or reviewing the financial reports		
- Remuneration to BDO	**102,909**	40,000
- Remuneration to Rothsay	**8,525**	31,000
	111,434	71,000

Note 17. b) Other services (non-audit services)

During the financial year, both BDO and Rothsay (and/or their related entities), performed certain other services in addition to their statutory duties as more fully set out in the Directors' Report. The Board is satisfied that the provision of those services is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001.

Other services non-audit services		
IPO and ASX listing and Independent Accountants Report		
- Remuneration to BDO	**90,000**	-
- Remuneration to Rothsay	**40,000**	-
	130,000	0
Taxation & accounting services		
- Remuneration to BDO	**5,000**	-
- Remuneration to Rothsay	**10,803**	57,500
	15,803	57,500
Company secretarial services		
- Remuneration to Rothsay	**1,490**	1,220
	1,490	1,220
	147,293	58,720

Note 17. c) Total remuneration of auditors

The total remuneration paid to auditors inclusive of statutory audit and non-audit services is as follows:

	2015 $	2014 $
Total remuneration to BDO (and/or related entities)	**197,909**	40,000
Total remuneration to Rothsay (and/or related entities)	**60,818**	89,720
	258,727	129,720

NOTE 18. Interests in subsidiaries

Name of entities	2015 % owned	2014 % owned
Spring Financial Group Pty Ltd	**100**	100
Spring FG Realty Pty Ltd	**100**	100
Spring FG Finance Pty Ltd	**100**	100
Spring FG Accounting Pty Ltd	**100**	100
Spring FG Services Pty Ltd	**100**	100
PDFG Pty Ltd - acquired 28 August 2014	**100**	0
PDFG AFSL Pty Ltd - acquired 28 August 2014	**100**	0
PDFG Tax Services Pty Ltd - acquired 28 August 2014	**100**	0
Digifi Group Pty Ltd – acquired 15 May 2015	**100**	0

The principal place of business and country of incorporation of the Company and each of its subsidiaries and controlled entities is Australia.

NOTE 19. Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 30 June 2015 (30 June 2014: None).

NOTE 20. Related Parties

Note 20. a) Summary of related parties

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. The key management personnel of the Group are:

- Guy Hedley - Non-Executive Chairman
- Jeffrey Zulman - Non-Executive Director (appointed 23 November 2014)
- Keith Cullen – Managing Director
- Christos Kelesis – Executive Director
- Russell Scott – CFO/COO (appointed 21 November 2014)
- Mitch Ansiewicz – Group General Manager (Spring Financial Group Pty Ltd)
- Frank Paul – Head of Advice Services (Spring Financial Group Pty Ltd)

Other related parties

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members. During the year there were no transactions undertaken with any Director related entities other than those disclosed below in Note 20 c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

Note 20. b) Compensation to directors and other key management personnel

The aggregate compensation made to directors and other members of key management personnel of the Group is set out in the table below.

2015	Salary & fees	Bonuses	Allow.	Super.	Total
	$	$	$	$	$
Non-Executive Directors					
Guy Hedley(Chairman)	20,000	-	-	-	20,000
Jeffrey Zulman	20,417	-	-	-	20,417
Executive Directors					
Keith Cullen	-	-	-	18,000	18,000
Christos Kelesis	-	-	-	18,000	18,000
Other Key Management Personnel					
Russell Scott *	82,908	-	8,460	18,612	109,980
Mitch Ansiewicz	117,662	53,238	-	16,235	187,135
Frank Paul	113,394	-	-	10,772	124,166
	354,381	**53,238**	**8,460**	**81,619**	**497,698**

2014	Salary & fees	Bonuses	Allow.	Super.	Total
	$	$	$	$	$
Non-Executive Directors					
Guy Hedley(Chairman)	-	-	-	-	0
Executive Directors					
Keith Cullen	-	-	-	-	0
Christos Kelesis	-	-	-	-	0
Other Key Management Personnel					
Mitch Ansiewicz	97,330	40,872	-	12,784	150,986
	97,330	**40,872**	**0**	**12,784**	**150,986**

Note 20. c) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions that have occurred with related parties are set out in the table below.

	Note	2015 $	2014 $
Interest revenue			
Shareholders		-	20,282
Dividends paid to shareholder directors		560,130	611,055
Trade and other receivables			
Loans to shareholders			
- balance at the beginning of the year		287,853	435,785
- loans advanced		549,567	463,123
- loan repayment received		(560,130)	(611,055)
- balance at the end of the year	7 a)	277,290	287,853

NOTE 21. Cash flow from operations

Note 21. a) Reconciliation of result for the year to cash flows from operating activities

	2015 $	2014 $
Profit for the year	4,716,878	2,262,378
Cash flows excluded from profit attributable to operating activities		
Assumed expenses from acquisitions	200,874	
Non cash flow in profit - depreciation	200,911	55,083
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(6,606,946)	(2,602,661)
- (increase)/decrease in deferred tax receivable	(490,689)	(9,350)
- (increase)/decrease in other assets	(244,003)	(380,240)
- increase/(decrease) in trade and other payables	55,354	275,169
- increase/(decrease) in income taxes payable	1,353,529	588,414
- (decrease)/increase in provisions	53,952	(55,000)
Cashflow from operations	(760,140)	133,793

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

NOTE 22. Parent entity information

In accordance with Corporations Regulation 2M.3.01 set out below is the supplementary financial information about the parent entity of the Group (Spring FG Limited) presented on a stand-alone basis - that is, *excluding* the consolidation of the financial statements of its subsidiaries and controlled entities.

	2015 $	2014 $
Total current assets	**1,241,886**	423,882
Total non-current assets	**10,886,267**	5,759,901
Total assets	**12,128,153**	6,183,783
Total current liabilities	**(1,371,212)**	(80,597)
Total non-current liabilities	**(1,531,127)**	-
Total liabilities	**(2,902,339)**	(80,597)
Net assets	**9,225,814**	6,103,186
Equity		
Issued capital	**13,659,862**	6,132,364
Accumulated losses	**(4,434,048)**	(29,178)
Total equity	**9,225,814**	6,103,186
Profit/(loss) after income tax	**(971,595)**	(29,148)
Total comprehensive loss	**(971,595)**	(29,148)

NOTE 23. Commitments

Operating Lease commitments		**2015**	**2014**
		$	**$**
Committed at the reporting date and recognised as liabilities, payable			
-	Within one year	**555,741**	446,024
-	Two to five years	**146,924**	466,095
		702,665	912,119

The total operating lease commitments of $702,665 above include:

- A total of $371,687 relates to the Group's Sydney office premises which at the reporting date had a lease expiry date of 1 May 2016 with a renewal option of three years.

  Subsequent to the reporting date the Group negotiated an early exit (without penalty) from the premises and contemporaneously executed a lease over new premises. See Note 26 for further details.

- A total of $330,978 associated with IT and office equipment and operating systems with component items having expiry dates of between 12 months and three years from the reporting date.

NOTE 24. Business combinations - impact of acquisitions

Note 24. a) PDFG acquisition

On 28 August 2014 the Company acquired 100% of the specialist medical professional financial adviser and tax & accounting adviser Pink Diamond Financial Group (PDFG) for a total consideration of $3,048,196. The PDFG acquisition involved the Company acquiring all of the shares (and unit trust units) on issue in PDFG Pty Ltd, PDFG AFSL Pty Ltd, PDFG Tax Services Pty Ltd and Pink Diamond Unit Trust.

Settlement was by way of the payment of $1,500,000 at settlement with a deferred consideration of a further $1,500,000 payable to the vendor in cash on the earlier of the Company's admission to the Official List of the ASX and 31 March 2015. The deferred consideration attracted an interest rate of 10% pa payable at final settlement. The Group also assumed net liabilities of $48,196 as set out in Note 24. c), below.

The cash payment at settlement was funded through the issuance of 5,142,864 shares at $0.292 cents per share to existing shareholders and wholesale investors to raise $1,500,002. The vendor of PDFG subscribed for $249,998 of those shares. The deferred consideration (and interest and associated charges of $78,555) were funded and settled by way of funds raised under the Company's IPO.

Subsequent to the acquisition the Group successfully completed a restructure of PDFG and a merger of its business and operations into its own operations under the Group's Spring Financial Group banner.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
For the Year Ended 30 June 2015

The acquired business of PDFG contributed revenues of around $1.5M from 1 September 2014 to 30 June 2015. In acquiring PDFG, a number of one-off costs were incurred which amounted to $472,649 (consisting of redundancy and termination payments of $170,152, rent of premises not required of $135,594, staff discontinued of $61,046, other acquisition costs of $65,260 plus a doubtful debt provision of $40,760 against non-recoverable debtors).

Note 24. b) Statement of financial position entries – PDFG

At 31 December 2014 the Company had provisionally accounted for the acquisition. The values identified below in relation to the acquisition of PDFG are final as at 30 June 2015.

The goodwill of $2,417,059 represents the expected synergies from merging the business into the Group's operations.

Fixed assets - plant & equipment	10,412
Intangible assets - insurance income book	763,750
Intangible assets - finance income book	123,000
Deferred tax liability	(266,025)
	631,137
Financial advice business goodwill	1,687,059
Accounting & tax business goodwill	730,000
	2,417,059
Total assets acquired	**3,048,196**
Representing	
Vendor subscribed shares	249,998
Cash settled	1,250,002
Deferred consideration	1,500,000
Assumption of net liabilities	48,196
Total consideration paid on acquisition	**3,048,196**
Net cash used to settle acquisition	**2,750,002**

Note 24. c) Reconciliation of assumption of net liabilities - PDFG

Cash and cash equivalents	191,693
Receivables	79,216
Payables	(84,089)
Payroll liabilities	(161,747)
Lease and other accruals	(73,269)
Assumption of net assets/(liabilities)	**(48,196)**

Note 24. d) Digifi acquisition

On 14 May 2015 the Company acquired 100% of the shares on issue in financial markets publisher and website operator Digifi Group Pty Ltd (Digifi) for a total consideration of $458,396 inclusive of assumed liabilities.

The acquisition was settled by way of the vendors contemporaneously subscribing for 919,240 new shares in the Company at an issue price of $0.42 per share (representing the VWAP of Spring FG shares over the last 20 trading days prior to settlement) for a total consideration of $387,000 with $63,000 paid in cash paid and $8,396 in assumed net liabilities.

Digifi's websites Sharecafé and Sharescene have more than 70,000 members and attract more than 7,000 unique visitors each day. The acquisition more than doubled the Group's online subscribers through its Wealthadviser Financial Education division bringing its online community to in excess of 130,000. The acquisition expanded the Group's financial education offering and digital client recruitment strategies. It has also provided skills aligned to the Group's core business.

The acquired business of Digifi Group contributed revenues of $71,976 and $37,444 in net profit before tax, from 16 May 2015 to 30 June 2015. No additional costs were incurred with the acquisition of Digifi Group. In the segment reporting at Note 3 Digifi has been accounted for as unallocated.

Note 24. e) Statement of financial position entries – Digifi

The values identified below in relation to the acquisition of Digifi are final as at 30 June 2015. The goodwill of $458,396 represents the expected synergies from merging the business into the Group's operations.

Financial markets & information business goodwill	458,396
	458,396
Total assets acquired	**458,396**
Representing	
Vendor subscribed shares	387,000
Cash settled	63,000
Assumption of net liabilities	8,396
Total consideration paid on acquisition	**458,396**
Net cash used to settle acquisition	**63,000**

Note 24. f) Reconciliation of assumption of net liabilities – Digifi

Cash and cash equivalents	27,590
Payables	(10,870)
Payroll liabilities	(25,116)
Assumption of net assets/(liabilities)	**(8,396)**

Note 24. g) MTP acquisition final accounting

On 1 May 2014 the Company acquired the business and assets of Moneytree Partners Pty Ltd and its related entities (MTP) for the total consideration of $3,640,140. The acquisition was settled by way of the vendor contemporaneously subscribing for 3,229,421 new shares in the Company at an issue price of $0.292 per share for a total consideration of $942,991 with $2,653,010 paid in cash and a further $44,139 in assumed payroll liabilities.

Prior to its acquisition by the Company, MTP had been operating as a Sydney-based financial services business with financial planning; accounting; and mortgage operations. Subsequent to the acquisition the Group successfully completed a merger of MTP's business and operations into its own operations under the Group's Spring Financial Group banner.

At year-end FY2014 (and 31 December 2014) the Company had provisionally accounted for the acquisition. The values now identified below in relation to the acquisition are final as at 30 June 2015. The goodwill of $2,720,188 represents the synergies from merging this business into the Group's operations.

Fixed assets - plant & equipment	485,549
Intangible assets - insurance income book	409,375
Intangible assets - finance income book	75,000
Intangible assets - eBook library	82,500
Intangible assets - Lead database	53,700
Deferred tax liability	(186,173)
	919,951
Financial advice business goodwill	1,970,188
Accounting & tax business goodwill	750,000
	2,720,188
Total assets acquired	**3,640,139**
Representing	
Vendor subscribed shares	942,991
Cash settled	2,653,010
Assumption of payroll liabilities	44,139
Total consideration paid on acquisition	**3,640,140**
Net cash used to settle acquisition	**2,653,010**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the Year Ended 30 June 2015

NOTE 25. Earnings per share

	Note	2015	2014
		$	$
Profit after income tax		**$4,716,878**	2,262,378
		Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share		**103,103,978**	65,511,096
		103,103,978	65,511,096
Earnings per share for profit from continuing operations attributable to the owners of Spring FG Limited			
		Cents	Cents
Basic earnings per share	1 w)	**4.57**	3.45
Diluted earnings per share	1 w)	**4.57**	3.45

NOTE 26. Events Occurring After the Reporting Date

Subsequent to the reporting date the Group entered into a lease over new premises for its Sydney head-office operations, at Level 11, Plaza Building, Australia Square, 95 Pitt Street Sydney. The lease is to commence from 1 December 2015 and is for a period of 60 months. The lease represents a total base rental commitment of $2.52M over five years from 1 December 2015.

DIRECTORS' DECLARATION

The financial report was authorised for issue on 30 September 2015 by the board of directors.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

In the directors' opinion:

1. The financial statements and notes for the year ended 30 June 2015 are in accordance with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   b) give a true and fair view of the financial position and performance of the consolidated group.

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

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

Keith Cullen
Managing Director

Chris Kelesis
Executive Director

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SPRING FG LIMITED

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To the members of Spring FG Limited

Report on the Financial Report

We have audited the accompanying financial report of Spring FG Limited, 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 year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SPRING FG LIMITED

Independence

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

Basis for Qualified Opinion

Included in revenue is an amount of $3,045,640 for fees earned on property transactions and included in expenses are related costs payable to employees of $380,705. These amounts have been brought to account based on the expectation that the property transactions will proceed, and prior to the exchange of unconditional contracts of sale. In our opinion this treatment represents a departure from the Australian Accounting Standard *AASB 118 Revenue*. The entity's records indicate that had management stated revenue and expenses in accordance with accounting standards, revenue would have decreased by $3,045,640, expenses would have decreased by $380,705 and Work in Progress, included in trade and other receivables would have decreased by $2,664,935. As a consequence, income tax expense and deferred tax liability would have decreased by $799,481.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report gives a true and fair view of the financial position of Spring FG Limited and its subsidiaries as at 30 June 2015 and of their financial performance for the year then ended in accordance with Australian Accounting Standards.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 18 of the directors' report for the year 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.

Opinion

In our opinion, the Remuneration Report of Spring FG Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership

Grant Saxon

Partner

Sydney, 30 September 2015

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