Appendix 4E (ASX Listing Rule 4.3A)
PRELIMINARY FINAL REPORT
Year ended 30 June 2015

(previous corresponding period: 30 June 2014)

AUSTRALASIAN WEALTH INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES **ABN 62 111 772 359**

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This Appendix 4E should be read in conjunction with Australasian Wealth Investments Limited Audited Consolidated Financial Report and Directors' Report for the year ended 30 June 2015 lodged with the Australian Securities Exchange on 28 August 2015.

Results in accordance with Australian Accounting Standards	**Current period $'000**	Previous corresponding period $'000	Movement $'000	Movement %
Revenue from ordinary activities	**8,416**	1,777	6,639	373.6
Loss from ordinary activities after tax for the period attributable to members	**(7,186)**	(6,724)	(462)	(6.9)
Loss for the period attributable to members	**(7,186)**	(6,724)	(462)	(6.9)

DIVIDEND INFORMATION

It is not proposed to pay a final dividend for the year ended 30 June 2015. No interim dividend was paid for the half-year ended 31 December 2014.

NET TANGIBLE ASSET BACKING PER ORDINARY SHARE

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share	0.8 cents	33.4 cents

SUPPLEMENTARY COMMENTS

Additional Appendix 4E disclosures and other significant information may be found in Australasian Wealth Investments Limited Audited Consolidated Financial Report and Directors' Report for the year ended 30 June 2015 lodged with this document.

INDEPENDENT AUDITOR'S REPORT

The Consolidated Financial Report for Australasian Wealth Investments Limited for the year ended 30 June 2015 has been audited by the Company's independent external auditor, Ernst & Young. A copy of the independent external auditor's report may be found at pages 38 and 39 of the Audited Consolidated Financial Report and Directors' Report.

AUSTRALASIAN WEALTH INVESTMENTS LIMITED GAINED CONTROL OF THE FOLLOWING ENTITIES DURING THE PERIOD:

Intelligent Investor Holdings Pty Limited (ACN 109 360 983) (control gained on 1 July 2014);
The Intelligent Investor Publishing Pty Limited (ACN 108 915 233) (control gained on 1 July 2014);
The Intelligent Investor Pty Limited (ACN 092 781 952) (control gained on 1 July 2014);
The Intelligent Investor Distribution Pty Limited (ACN 108 909 351) (control gained on 1 July 2014);
Intelligent Investor Advice Pty Limited (ACN 155 875 273) (control gained on 1 July 2014).

Australalasian Wealth Investments Limited

ABN 62 111 772 359

Audited Consolidated Financial Report and Directors' Report

for the year ended 30 June 2015

Contents

Directors' Report

The Directors present their report on Australasian Wealth Investments Limited (*Company*) and its subsidiaries (collectively the *Group*) for the financial year ended 30 June 2015.

Directors

The names and details of the Directors of the Company who held office during the year and at the date of this report (unless otherwise specified) are:

Paul Clitheroe AM *(Appointed Chairman 26 November 2014, appointed Executive Chairman 31 March 2015)*
Executive Chairman
Bachelor of Arts (UNSW), SNF Fin, CFP
Age 60

Paul Clitheroe is a founding director of leading financial planning firm ipac, and has been involved in the investment industry since he graduated from the University of New South Wales in the late 1970s. From 1993 to 2002 Paul hosted the popular Channel 9 program *Money.* Since 1999 he has been the chairman and chief commentator of *Money* magazine. He writes personal finance columns for metropolitan, suburban and regional newspapers across Australia and presents *Talking Money* on radio nationally. Paul has been a media commentator and conference speaker for more than 30 years, and is regarded as one of Australia's leading experts in the field of personal investment strategies and advice.

Paul is also Chairman of the youth anti-drink driving body, RADD, a Council Member of Philanthropy Australia, Chairman of the Australian String Quartet and a member of the Sydney University Medical School Advisory Board. In 2012, Macquarie University appointed Paul as Chair of Financial Literacy. He is a Professor with the School of Business and Economics.

Michael Shepherd AO *(Appointed 1 March 2014)*
Lead Independent Non-Executive Director
Chairman of the Audit Risk and Compliance Committee
Age 65

Michael Shepherd has had a successful career in stockbroking over more than 30 years. He was a director of ASX Limited and group between 1988 and 2007, including a term as Vice-Chairman between 1993 and 2007. Mr Shepherd was also Chairman of the ASX Derivatives Board and Chairman of the ASX Market Rules Committee.

Michael Shepherd is currently Chairman of HFA Holdings Limited and a member of the Member Responsible Entity Compliance Committee of UBS Global Asset Management (Australia) Limited. He is also a Senior Fellow and Life Member, Financial Services Institute of Australasia, after being a director of that body between 2001 and 2009, including 2 years as National President.

John O'Connell *(Appointed 1 July 2014)*
Independent Non-Executive Director
Chairman of the Nomination and Remuneration Committee
B.D. SC (QLD), B.COM (QLD), Graduate Diploma in Applied Finance & Investments, SIA (now FINSIA)
Age 51

John is Chief Investment Officer, Banking and Financial Services for Macquarie Bank. John has been with Macquarie since 1998 and over this time has held various senior management positions both in Australia and the United States. John has a deep knowledge of investment technology and global change as it applies to the financial services sector. John is ideally placed to guide on key industry trends in the institutional investment world that can be customized for a direct to consumer business model.

John Reynolds *(Appointed 30 June 2008, resigned 17 February 2015)*
FFin
Age 47

John Reynolds is a senior client advisor with Bell Potter Securities. Bell Potter is one of the largest retail brokers in Australia with close to 300 securities advisors. John has over 20 years' experience in the securities industry. He has worked for the last 10 years at Bell Potter having previous experience at the securities firms JB Were, Credit Suisse and Challenger. He is an accredited securities dealer in Australian and International equities, derivatives and numerous equity and non-equity related products.

Directors' Report (continued)

John has completed a Diploma in Applied Finance and Investment through FINSIA, specialising in portfolio construction and portfolio management. The majority of his advisory work is focused on the Top 50 stocks listed on the ASX. John is also a regular contributor to CNBC and Boardroom Radio.

Andrew Barnes ***(Appointed 28 March 2013, resigned 17 November 2014)***
MA Cambridge
Age 55

Andrew Barnes has been CEO and founder of a number of financial services businesses in the UK, including the Skipton Group, a leading estate planning network, and Bestinvest Ltd, a direct to consumer financial advisory business. Prior to this, he was Managing Director of Australian Wealth Management, a leading financial planning, trustee and wealth management business in Australia, before it was acquired by IOOF Ltd.

Ben Heap ***(Appointed 29 November 2013, resigned 31 March 2015)***
BComm (Finance); BSc (Maths)
Age 45

Ben has extensive financial services and digital experience in Australia and the US. He was previously Head of UBS Asset Management in Australia & New Zealand and prior to that Head of Infrastructure and Private Equity for UBS Global Asset Management in the Americas. During his tenure at UBS, he was a Director of the Financial Services Council ("FSC") and the UBS Foundation.

All of the Directors have been in office from the commencement of the 2015 financial year until the date of this report unless otherwise stated.

Company Secretary

Peter Friend was appointed Company Secretary on 10 February 2014 and held office throughout the financial year.

Interests in the Securities of the Company

The relevant interests of each Director in the securities of the Company shown in the Register of Directors' Shareholdings as at the date of this report are:

Director	Ordinary Shares
Paul Clitheroe (Executive Chairman)	5,000,000
Michael Shepherd	300,000
John O'Connell	5,049,738

Directors are not required under the Company's constitution to hold any Shares, Options or any other Securities in the Company. A portion of the shares (4,000,000) held by Mr Paul Clitheroe are subject to vesting conditions.

Interests in Contracts or Proposed Contracts with the Company

None of the Directors have an interest in, or proposed interests in, contracts with the Company, other than the loan to Mr Paul Clitheroe detailed below.

Principal Activities

The principal activities of the Company during the year included investments in unlisted securities in the financial services sector. On 21 January 2015, the Company changed its investment strategy from its intention to provide dividend income and capital gains from its investments with an aim to sell those investments in the future, to retaining its investments and integrating their operations, and giving the Company the rights to the variable returns arising from those investments. As a result of that change, the financial statements for the current and future years will be consolidated, and will include amortisation and/or impairment costs for intangibles and goodwill respectively.

Directors' Report (continued)

Dividends

No dividend has been declared for the financial year ended 30 June 2015 (2014: nil).

Review of operations

Financial results for the year

The results below show the audited operating loss for the year, and are based on consolidated accounting for the period from 1 January 2015 to 30 June 2015, and investment accounting from the period from 1 July 2014 to 31 December 2014.

	2015	2014
	$	$
Operating (Loss) before income tax benefit	(7,811,468)	(6,724,534)
Income tax expense	625,904	-
Operating (Loss) for the year	(7,185,564)	(6,724,534)

The net tangible asset backing of the Company as at 30 June 2015 was $0.008 (2014: $0. 3342) per share before tax. The operating loss was largely attributable to a write down in the valuation of the investment in van Eyk Research Pty Ltd of $7,490,036 at 31 December 2014, following the appointment of a liquidator to that company. Net tangible asset backing has fallen because of this write down, and as a result of the consolidation of subsidiaries during the year.

From January 2015, the Group has consolidated operations between the various entities, and centralised management and administration functions. This resulted in a reduction in staff numbers and additional employee costs, through redundancy payments, including the former Managing Director. These payments, and payments to terminate the Webabout contract, had a negative impact on the cash balance of the Company, since 31 December 2014.

The revenues for subscriptions and commissions, shown in the financial statements below, only reflect revenues for the period from 1 January 2015 to 30 June 2015.

Unaudited Consolidated Financial Information for the year

The table below shows the consolidated performance of the Group for the year to 30 June 2015. This information is unaudited for the period from 1 July 2014 to 30 June 2015, and only shows earnings before tax, and amortisation of goodwill and intangibles.

Statement of Consolidated Comprehensive Income

	Year to 30 June
	2015
	$
Continuing operations	
Commission income	8,517,513
Subscription Income	3,361,576
Consulting fees	650,619
Other income	693,912
Total Income	**13,223,620**
Total operating expenses	**13,095,752**
Operating profit before tax and amortisation	**127,868**
Change in fair value of financial assets at fair value through profit and loss	(7,490,036)
Loss before income tax and amortisation	**(7,362,168)**

Strategy and Future Outlook

The Company will continue to pursue its financial objectives which are to increase the profitability of the Company over time by increasing the value and improving the performance of its operations.

Directors' Report (continued)

Significant Changes in State of Affairs

On 21 January 2015, the Company changed its investment strategy from its intention to provide dividend income and capital gains from its investments with an aim to sell those investments in the future, to retaining its investments and integrating their operations. From this date the Group began to integrate its operations with the intention of providing financial services direct to consumers, in particular in the area of wealth management.

On 17 November 2014, the Company cancelled 1,685,000 options with an exercise price of $0.45 and a maturity date of 30 November 2017 and 1,685,000 options with an exercise price of $0.60 and a maturity date of 30 November 2018 to Mr Andrew Barnes, following his resignation as a Director.

The Company resolved to lend $1,000,000 to Mr Clitheroe to acquire 4,000,000 ordinary shares on 26 November 2014 (the grant date) as part of the Long Term Incentive Plan, subject to vesting terms, as approved by shareholders at the Annual General Meeting in November 2014. The shares were issued on 18 December 2014. These share have not vested and therefore have not been included in share capital. The shares will vest in three equal tranches on the latter of the first, second and third anniversary of the grant date, or the share price reaching $0.33, $0.42 or $0.50 respectively for each tranche. The Company estimates the fair value of this director/employee share benefit is $258,400 at the grant date.Mr Clitheroe became Executive Chairman, following the resignation of the Managing Director on 31 March 2015.On 31 March 2015, Mr Ben Heap, the former managing director left the Company, and forfeited his rights to shares in the Long Term Incentive Plan (*LTIP*).

The Company terminated a contract with Webabout, a company controlled by the management team of a group of subsidiary companies of the Company (InvestSMART group) in return for a cash payment of $800,000, of which $400,000 had been paid at 30 June 2015. The Company has agreed to lend $3,125,000 to the management team to acquire 12,499,998 shares under the LTIP, as approved by the shareholders at an Extraordinary General Meeting on 17 June 2015. The Company estimates the value of these LTIP shares to be $1,029,293 at the grant date of 17 June 2015.

The Company has expensed a portion of this value to 30 June 2015, and reversed the expense of the LTIP shares forfeited by the former Managing Director (see Note 15).

Future Developments

The Company will continue to pursue its investment objectives for the long term benefit of the members. This will require continual review of the strategies that are currently in place and may require changes to these strategies to maximise returns. Further information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

Meetings of Directors

The number of Directors' Meetings (including Meetings of Committees of Directors) and number of Meetings attended by each of the Directors of the Company during the 2015 financial year were:

	Directors' Meetings		Meetings of Audit, Risk and Compliance		Meetings of Nomination and Remuneration Committee	
	Meetings eligible to attend	**Meetings attended**	**Meetings eligible to attend**	**Meetings attended**	**Meetings eligible to attend**	**Meetings attended**
Andrew Barnes (resigned)	3	3	-	-	-	-
Paul Clitheroe	7	6	-	-	-	-
John O'Connell	10	10	2	1	1	1
John Reynolds (resigned)	5	4	1	1	-	-
Ben Heap (resigned)	7	6	-	-	-	-
Michael Shepherd	10	10	2	2	1	1

The number of Directors' Meetings has been adjusted for each member to reflect the number of Meetings held during their tenure.

Directors' Report (continued)

Events Subsequent to Balance Date

Since 30 June 2015, there have been no significant events up to the date of this report.

Earnings per share

Basic and diluted earnings were (6.48), (2014: (8.07)) cents per share.

Remuneration Report (Audited)

The Group's policy is to offer a sufficient level of remuneration to attract employees (and Directors) who are financially literate and knowledgeable of investment management best practice.

As the Company has a Long Term Incentive Plan (LTIP) in place, the Company has effectively linked performance with compensation in relation to the performance of the Company's assets. The value of any benefits given to directors or management is detailed below.

All Directors must have a deep understanding and commitment to good corporate governance. The primary role of the Non-executive Directors is to ensure adherence to good governance.

Under the Company's constitution the Directors (other than any Managing Director or Director who is a salaried officer) may be paid such remuneration determined from time to time by the Company in general meeting. Subject to the sum determined by the Company in general meeting, the Directors agree the remuneration each Director (other than any Managing Director or Director who is a salaried officer) receives. No option or bonus plans are in place.

Under ASX Listing Rules, the maximum fees payable to Directors may not be increased without prior approval from the Company at a general meeting. Directors will seek approval from time to time as deemed appropriate.

The Directors will be entitled to receive the following benefits:

(a) the maximum total remuneration of the Directors of the Company (excluding the Managing Director) has been set at $400,000 per annum to be divided amongst them in such proportions as they agree. Directors are not required to allocate the entire amount.

(b) Mr Paul Clitheroe is eligible to participate in the LTIP and received 4,000,000 shares and a corresponding limited recourse loan on 26 November 2014, as approved by shareholders.

Additional information on the remuneration of executive directors and key management personnel is given in Note 19 of the Financial Statements.

The Directors' remuneration for the year ended 30 June 2015 is detailed in the following table. There was no accrued long service leave for any Director at 30 June 2015.

Name of Director	Base fee $	Super-annuation $	Accrued Annual Leave $	LTIP expense $	Share based expense $	Termination Benefits $	Total $
Paul Clitheroe (Appointed 26 November 2014)	54,175	-	-	80,320	-	-	134,495
John O'Connell	45,000	4,275	-	-	-	-	49,275
Michael Shepherd	-	45,000	-	-	-	-	45,000
Andrew Barnes (resigned 17 November 2014)	21,679	-	-	-	(3,848)	-	17,831
John Reynolds (resigned 17 February 2015)	20,000	1,900	-	-	-	-	21,900
Ben Heap (resigned 31 March 2015)	337,500	19,594	40,909	(94,941)	-	223,228	526,290
TOTAL	**478,354**	**70,769**	**40,909**	**(14,621)**	**(3,848)**	**223,228**	**794,791**

The remuneration paid to Mr Ben Heap during the period includes all termination benefits paid. There are no outstanding termination benefits at 30 June 2015.

Directors' Report (continued)

The Directors' remuneration for the year ended 30 June 2014 is detailed in the following table.

Name of Director	Base fee $	Super-annuation $	Accrued Annual Leave $	LTIP Expense $	Share based expense $	Total $
Andrew Brown (resigned 31 October 2013)	13,333	-	-	-	-	13,333
Andrew Barnes	27,083	-	-	-	3,848	30,931
Alastair Davidson (resigned as director 1 March 2014)	10,000	-	-	-	-	10,000
John Reynolds	30,000	2,775	-	-	-	32,775
Ben Heap	262,500	14,583	2,976	94,941	-	375,000
Michael Shepherd	15,000	1,387	-	-	-	16,387
TOTAL	**357,916**	**18,745**	**2,976**	**94,921**	**3,848**	**478,426**

No Director of the Company has received or become entitled to receive a benefit, other than a remuneration benefit as disclosed in the notes to the financial statements, by reason of a contract made by the Company or a related entity with the Director or with a firm of which they are a member, or with a Company in which they have a substantial interest.

The Company lent $5,073,304 to the former Managing Director to acquire 10,569,384 ordinary shares on 3 December 2013 (the grant date) as part of the LTIP, subject to vesting terms, as approved by shareholders at the Annual General Meeting in October 2013. These shares had not vested prior to the former Managing Director's departure on 31 March 2015, and therefore have not been included in share capital. The Company estimated the fair value of this director/employee share benefit as $1,312,012 at the grant date, of which $94,941 had been expensed in 2014.

On 31 March 2015, the former Managing Director left the Company, and forfeited his rights to shares in the Long Term Incentive Plan. As a result, the 2014 expense, and any expense accrued in 2015 up to 31 March, has been reversed in 2015.

On 17 December 2013 (the grant date), the Company issued 1,685,000 options with an exercise price of $0.45 and a maturity date of 30 November 2017 and 1,685,000 options with an exercise price of $0.60 and a maturity date of 30 November 2018 to the then Chairman Andrew Barnes, as part of the consideration for the repurchase of the investment management contract as approved by shareholders at the Annual General Meeting in October 2013. These options were forfeited following his resignation on 17 November 2014. The Company estimated the fair value of this director/employee share benefit was $137,917 at the grant date, of which $39,549 had been expensed since the grant date. This expense has been reversed in 2015.

The remuneration of the key management personnel who were not Directors for the year to 30 June 2015 is shown below.

Name of Key Management Personnel	Base fee $	Superannuation $	LTIP Expense $	Total $
Ronald Hodge (appointed Chief Operating Officer 1 April 2015)	239,055	29,018	7,268	275,341
Nigel Poole (appointed Chief Technology Officer 1 April 2015)	205,385	19,512	7,268	232,164
Alastair Davidson (appointed Chief Financial Officer 1 April 2015)	209,500	9,500	7,268	226,268

The remuneration of the key management personnel who were not Directors for the year to 30 June 2014 is shown below.

Name of Key Management Personnel	Base fee $	Superannuation $	Total $
Peter Friend (appointed Company Secretary 10 February 2014)	42,576	620	43,196
Alastair Davidson (resigned as a Director 1 March 2014)	61,533	3,164	64,697

Directors' Report (continued)

Shares held by Key Management Personnel

For the year ended 30 June 2015 Ordinary Shares	Balance at 1 July 2014	Shares held on appointment	Shares acquired / (disposed)	Shares issued upon option exercise	Balance at 30 June 2015
Andrew Barnes (resigned 17 November 2014)	3,617,907	-	(3,521,240)	-	76,667
Paul Clitheroe – Executive Chairman(appointed 26 November 2014)	-	-	1,000,000	-	1,000,000
Alastair Davidson - Chief Financial Officer	327,674	-	-	-	327,674
Ben Heap (resigned 31 March 2015)	100,000	-	-	-	100,000

Shareholdings relating to LTIP

Executive Directors	Balance at 1 July 2014	Tranches	Shares acquired/ (disposed) per Tranche	Issue date	Value at issue date	Estimated vesting date	Balance at 30 June 2015	
Paul Clitheroe - Executive Chairman (appointed 26 November 2014)	-	Tranche 1	1,333,333	26/11/2014	0.0542	26/11/2015	4,166,666	
		Tranche 2	1,333,333		0.0663	22/04/2017		
		Tranche 3	1,333,334		0.0733	22/07/2018		
Ron Hodge - Chief Operating Officer	-	Tranche 1	1,388,888	17/06/2015	0.0767	17/06/2016	4,166,666	
		Tranche 2	1,388,888		0.0826	17/06/2017		
		Tranche 3	1,388,890		0.0878	17/06/2018		
Nigel Poole - Chief Technology Officer	-	Tranche 1	1,388,888	17/06/2015	0.0767	17/06/2016	4,166,666	
		Tranche 2	1,388,888		0.0826	17/06/2017		
		Tranche 3	1,388,890		0.0878	17/06/2018		
Alastair Davidson - Chief Financial Officer	-	Tranche 1	1,388,888	17/06/2015	0.0767	17/06/2016	4,166,666	
		Tranche 2	1,388,888		0.0826	17/06/2017		
		Tranche 3	1,388,890		0.0878	17/06/2018		
Ben Heap (resigned 31 March 2015)	10,569,384	Tranche 1	(3,523,128)	3/12/2013	0.1047	22/07/2021	-	
		Tranche 2	(3,523,128)		0.1253	25/02/2023		
		Tranche 3	(3,523,128)		0.1424	15/06/2024		
Options issued to Directors								
Andrew Barnes (resigned 17 November 2014)	3,370,000	Tranche 1	(1,685,000)	17/12/2013	0.0887	-	-	-
		Tranche 2	(1,685,000)	17/12/2013	0.0536	-	-	

The shares acquired by Mr Ron Hodge, Mr Nigel Poole and Mr Alastair Davidson are part of the LTIP detail above and have yet to be issued. Key management personnel transactions concerning dividends and ordinary shares are on the same terms and conditions applicable to ordinary members.

For the year ended 30 June 2014 Ordinary Shares	Balance at 1 July 2013	Shares held on appointment	Shares acquired / (disposed)	Shares issued upon option exercise	Balance at 30 June 2014
Andrew Barnes	5,672,744	-	1,315,163	-	6,987,907
Peter Friend (appointed 10 February 2014)	-	-	-	-	-
Alastair Davidson (resigned as a Director on 1 March 2014)	-	-	327,674	-	327,674
Ben Heap (appointed 29 November 2013)	-	10,569,384	100,000	-	10,669,384

Directors' Report (continued)

Transactions with Key Management Personnel

Ronnscam Pty Ltd (an entity controlled by A. Davidson) earned consulting fees for compliance work of $110,500 of which $27,500 (excluding GST) was outstanding at 30 June 2015.

Webabout Pty Ltd (an entity controlled by R. Hodge, N. Poole and A. Davidson) provided web hosting services to the Group and received a total of $31,946 for the period, of which $5,486 was unpaid at 30 June 2015. In addition, Webabout received a contract termination payment of $800,000, of which $400,000 is due at 30 June 2016, as noted above.

The Group received fees of $363,667 from Perpetual Guardian Trust, a New Zealand entity, which was controlled by Andrew Barnes. The contract to supply services to Perpetual Guardian Trust was terminated on 9 April 2015.

This concludes the Remuneration Report which has been audited.

Insurance of Directors

During the financial year, the Company has given indemnity and paid insurance premiums to insure Directors and officers of subsidiaries against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Directors or officers of the Company or subsidiaries, other than conduct involving a wilful breach of duty in relation to the Company or subsidiaries. During the year, premiums were paid in respect of the key management personnel liability and legal expenses insurance contract. Details of the nature of the liabilities covered and the amount of premiums paid have not been disclosed as disclosure is prohibited under the terms of the contract.

Indemnification of auditors

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

Proceedings on behalf of the Group

There are no legal or other proceedings being made on behalf of the Group or against the Group as at the date of this report.

Non-Audit Services

No non-audit services have been provided by the Auditor or by another person on the Auditor's behalf during the year. This statement has been made in accordance with advice provided by the Company's audit committee and has been endorsed by a resolution of that committee.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 11.

Signed in accordance with a resolution of the Directors.

Paul Clitheroe
Executive Chairman
Dated this 28th day of August 2015 at Sydney

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Auditor's Independence Declaration to the Directors of Australasian Wealth Investments Limited

In relation to our audit of the financial report of Australasian Wealth Investments Limited for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Jonathan Pye

Jonathan Pye
Partner
28 August 2015

Statement of Consolidated Comprehensive Income

	Notes	2015 $	2014 $
Continuing operations			
Dividend income		1,350,000	1,650,000
Interest		69,738	126,845
Commission and subscription income	4	6,168,445	-
Consulting fees		650,618	-
Other		176,795	-
Total Income		**8,415,596**	**1,776,845**
Change in fair value of financial assets at fair value through profit and loss	5	(7,490,036)	(6,174,617)
Accounting and administrative costs		(137,357)	(65,711)
Management fees		-	(109,458)
Termination of investment management contract		-	(900,000)
Audit fees	17	(116,298)	(41,873)
Employee costs		(3,723,171)	(459,026)
Marketing and advertising		(316,809)	-
Directors' fees		(147,562)	(92,330)
Employee benefit expense	6	(3,336)	(98,789)
Travel and accommodation		(99,334)	(86,058)
Professional fees		-	(29,545)
Legal and statutory expenses		(237,830)	-
Rent		(159,502)	(35,320)
Commission rebates		(1,205,323)	-
Depreciation and amortisation		(653,154)	-
Other expenses		(523,249)	(408,652)
Market data costs		(91,199)	-
Termination of Webabout contract	18	(800,000)	-
Software and website costs		(516,307)	-
Interest expense		(6,597)	-
Total expenses		**(16,227,064)**	**(8,501,379)**
Loss before income tax		**(7,811,468)**	**(6,724,534)**
Income tax (expense)	8	625,904	-
Loss for the year		**(7,185,564)**	**(6,724,534)**
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		**(7,185,564)**	**(6,724,534)**
Basic and diluted earnings per share (cents per share)	22	(6.48) cents	(8.07) cents

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

The above Consolidated Statement of Comprehensive Income comprises investment accounted income for the period from 1 July 2014 to 31 December 2014 and consolidated income for the period from 1 January 2015 to 30 June 2015.

Consolidated Statement of Financial Position

	Notes	2015 $	2014 $
ASSETS			
Cash and cash equivalents		3,292,828	3,383,947
Trade and other receivables	7	785,899	1,348,096
Prepayments		163,284	7,541
Rental deposit		93,290	67,821
Deferred tax asset	8	765,596	-
Financial assets at fair value through profit and loss	9	1,711,576	34,795,273
Fixed assets, including software less accumulated depreciation	10	265,679	-
Goodwill	11	21,595,696	-
Intangibles	12	9,447,700	-
Total assets		**38,121,548**	**39,602,678**
LIABILITIES			
Other payables	14	1,347,544	176,482
Subscriptions received in advance		1,889,715	-
Trail commissions to rebate		1,741,968	-
Trade payables	13	439,211	2,375,168
Deferred tax liability	8	2,834,310	-
Total liabilities		**8,252,748**	**2,551,650**
Net assets		**29,868,800**	**37,051,028**
Equity			
Issued capital	15	58,522,440	58,522,440
Employee Benefit reserve		102,125	98,789
Retained earnings	16	(28,755,765)	(21,570,201)
Total equity		**29,868,800**	**37,051,028**

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

Statement of Consolidated Changes in Equity

	Notes	Issued Capital $	Retained earnings $	Employee Benefit Reserve $	Total Equity $
Balance as at 1 July 2013	15	**28,617,637**	**(14,845,667)**	**-**	**13,771,970**
Comprehensive loss for the year		-	(6,724,534)	-	(6,724,534)
Shares issued		31,346,376	-	-	31,346,376
Capital raising costs		(1,441,573)	-	-	(1,441,573)
Employee benefit share reserve		-	-	98,789	98,789
Balance as at 30 June 2014		**58,522,440**	**(21,570,201)**	**98,789**	**37,051,028**
Balance as at 1 July 2014		**58,522,440**	**(21,570,201)**	**98,789**	**37,051,028**
Comprehensive loss for the year		-	(7,185,564)	-	(7,185,564)
Shares issued		-	-	-	-
Employee benefit share reserve		-	-	3,336	3,336
Balance as at 30 June 2015		**58,522,440**	**(28,755,765)**	**102,125**	**29,868,800**

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

Consolidated Statement of Cash Flows

	Notes	2015 $	2014 $
Cash flows from operating activities			
Receipts from customers		6,887,982	-
Interest received		69,738	126,845
Dividends received		2,100,000	350,000
Interest paid		(6,597)	-
Payments to suppliers and employees		(9,579,759)	(1,135,685)
Investment manager's fees paid		-	(1,025,152)
Other payments		(10,209)	-
Net cash used in operating activities	21(a)	(538,845)	(1,683,992)
Cash flows from investing activities			
Purchase of fixed assets		(59,168)	-
Proceeds from sale of investments		-	3,943,477
Rental deposit		-	(67,820)
Purchase of investments		(500,796)	(31,587,922)
Loans to investee companies		(816,253)	-
Net cash (used in) investing activities		(1,376,217)	(27,712,265)
Cash flows from financing activities			
Issue of shares (net of capital raising costs)		-	29,904,805
Net cash inflow from financing activities		-	29,904,805
Net (decrease)/increase in cash and cash equivalents		(1,915,062)	508,548
Cash and cash equivalents at beginning of the year		3,383,947	2,875,399
Cash acquired at 1 January 2015 through acquisitions		1,823,943	-
Cash and cash equivalents at the end of the year	21(b)	3,292,828	3,383,947

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

1. Reporting Entity

Australasian Wealth Investments Limited (the "***Company***") is domiciled in Australia and is the parent entity of the group which includes AWI Funds Pty Ltd and the entities listed in Note 3 (the "***Group***"). The consolidated financial statements of the Group are presented for the year ended 30 June 2015. The Group is primarily involved in operating businesses delivering financial services to retail investors in Australia.

2. Summary of significant accounting policies

(a) Basis of Preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial report covers Australasian Wealth Investments Limited, which is a listed public company, incorporated and domiciled in Australia, and its subsidiaries. The financial report has been prepared on an accruals basis, and is based on historical cost, with the exception of valuation of investments as described below.

The financial statements were authorised for issue by the Directors on 28th August 2015.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Adoption of New and Revised Accounting Standards

The Group has adopted all of the new and revised standards and interpretations issued by Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of these new and revised standards and interpretations did not have a material impact on the financial statements of the Group.

Impact of the change in application of AASB 10

On 21 January 2015, the Company changed its investment strategy from an intention to provide dividend income and capital gains from its investments with an aim to sell those investments in the future, to retaining its investments and integrating their operations, and giving the Company the rights to the variable returns arising from those investments. As a result of the change the Company believes it no longer meets the definition of an investment entity under AASB 10, and consolidated controlled investee companies under AASB 10 from 1 January 2015. As a result, the Company has deemed 1 January 2015 as the deemed acquisition date, for subsidiaries which had previously been recognised at fair value through profit and loss, with fair value being the deemed acquisition consideration.

The parent entity was deemed to have acquired each of the investee companies as of 1 January 2015. The deemed acquisition consideration for each investee was their fair value as at 31 December 2014. These fair value estimates were tested and no differences were found and therefore no adjustments to any of the carrying amounts in the interim financial statements were required as a result of the change to a consolidated presentation.

AASB 2013-3: *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*

AASB 2013-3 amends the disclosure requirements in AASB 136 *Impairment of Assets*. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.

AASB 2013-3 was applicable to annual reporting periods beginning on or after 1 January 2014. No adjustments were necessary as the result of applying the revised rules.

2. Summary of Significant accounting policies (continued)

AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments

The Standard contains three main parts and makes amendments to a number of Standards and Interpretations.

- Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1.
- Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.
- Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.

No adjustments were necessary as the result of applying these amendments.

New standards and interpretations adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective, have been adopted by the Group in the presentation of this financial report. The following standards, amendments to standards and interpretations have been identified as those which apply to the Group in the period of initial application:

1. AASB 9 - Financial Instruments

AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking ‘expected loss’ impairment model and a substantially-reformed approach to hedge accounting.

AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a timelier basis.

Amendments to AASB 9 (December 2009 & 2010 editions and AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.

AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below.

a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.

b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:

- The change attributable to changes in credit risk are presented in other comprehensive income (OCI)
- The remaining change is presented in profit or loss

2. Summary of significant accounting policies (continued)

AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. Management notes there has been minimal impact as a result of adoption of this standard.

New standards and interpretations not yet adopted

Australian Accounting Standards and Interpretations have recently been issued or amended, but are not yet effective, which have not been adopted by the Group in the presentation of this financial report.

1. AASB 2014 4 - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)

AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The Group believes this will not have any impact on the financial statements if it had been adopted in this financial year. The expected adoption date is 1 July 2015.

2. AASB 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued AASB 15 *Revenue from Contracts with Customers*, which replaces IAS 11 *Construction Contracts*, IAS 18 Revenue and related Interpretations (IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue—Barter Transactions Involving Advertising Services).

The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

(a) Step 1: Identify the contract(s) with a customer
(b) Step 2: Identify the performance obligations in the contract
(c) Step 3: Determine the transaction price
(d) Step 4: Allocate the transaction price to the performance obligations in the contract
(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group has a liability to service customers who have purchased subscriptions in advance and recognises revenue when that subscription service has been delivered. An exposure draft has been issued by the AASB to defer the effective date of this standard to 1 January 2018. Management are still assessing the potential impact of implementation of this standard.

Compliance with IFRS

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

The preparation of the financial statements in conformity with IFRS requires the use of certain accounting estimates and judgments, which are included below.

2. Summary of significant accounting policies (continued)

Investments at Fair Value

The Group's investments are all measured at fair value through profit or loss in accordance with AASB 9: Financial Instruments. The fair values of the Group's listed investments are determined from the amount quoted on the primary exchange of the country of domicile. If a listed investment is measured at fair value and has a bid price and an ask price, fair value is based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. The fair value of the Group's unlisted investments is determined primarily using discounted cash flow valuation techniques. In the absence of sufficient information to perform a discounted cash flow analysis other valuation techniques may be used, including consideration of the instruments cost price, the price at which any recent transaction in the security may have been effected, the liquidity of the security, the size of the holding having regard to the total amount of such security on issue, the strategic nature of the holding and the geographic or sector to which the security provides exposure. Changes in the fair value of investments are recognised in the Statement of Comprehensive Income.

Transaction costs directly attributable to the acquisition of the investments are expensed in the Statement of Comprehensive Income as incurred.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 30 June 2015 and the results of all subsidiaries for the period from 1 January 2015 to 30 June 2015, with the exception of AWI Funds, whose results are included from 1 July 2014.

The Company assessed that it had gained control over its subsidiaries through the change in investment strategy noted in the Director's Report. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights and excludes those subsidiaries determined to be investments held for resale by the Directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, or when they are established.

Intercompany transactions and balances

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated in consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where there is a change in ownership interest, there will be an adjustment between the carrying amounts of the controlling and "non- controlling" interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to the owners of the Company.

When a Company acquires control through a change in investment policy, the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. Any amounts above net tangible assets are held as goodwill or intangibles at that point.

Business combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair value consideration transferred measured at acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2. Summary of significant accounting policies (continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's Cash-Generating Units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The Group has determined that it operates as one Cash Generating Unit for the purposes of testing goodwill impairment.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss as the expense category that is consistent with the function of the intangible assets.

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

Impairment of financial assets

The Group assesses at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset‘s carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset‘s original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as ‘impairment expense‘.

Impaired debt together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced. If a previous write-off is later recovered, the recovery is credited to the ‘impairment expense‘.

Interest revenue on an impaired financial asset is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Investment Income

Dividend income
Dividend income is recognised on the applicable ex-dividend date.

Net changes in fair value of investments
Realised and unrealised gains and losses on investments measured at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

2. Summary of significant accounting policies (continued)

Share-based Payments to Employees and Directors

Employees (including executive directors) of the Group may receive remuneration in the form of share-based payments, where employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. This cost is reversed in the event that an employee forfeits any share-based payment, when leaving the Group or other circumstances.

The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Income Tax

The Group forms part of a tax consolidated group and has executed a tax-sharing agreement. The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the Group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the Group also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. The income tax expense (revenue) for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities are measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit and loss. No deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised only to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective assets and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Subscription revenue

Subscription revenue is generally received in advance, and is recognised to the extent that the service has been delivered.

Commission revenue

2. Summary of significant accounting policies (continued)

Commission revenue from managed funds and life insurance products are recognised and measured as the fair value of the consideration received or receivable to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenues is generally recognised on an accrual basis.

Dividend income
Dividends and distributions are recognised on the applicable ex-dividend date.

Interest income
Interest Income is recognised as it accrues.

Other income
Other income is recognised to the extent that it is probable that the economic benefits will flow to the Group and when the revenue can be reliably measured.

Cash and cash equivalents

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

For the purposes of the Statement of Cash Flows, cash includes deposits held at call with financial institutions net of bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

Long service and Annual leave provisions

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

Expenses

The Group records all expenses on an accruals basis. This includes; accounting, audit, legal and administrative fees; management fees; employee costs; marketing and advertising costs; director's fees; travel and accommodation expenses; rent expenses; commission rebates, other expenses, market data costs, software and website costs.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

Earnings per share

Basic and diluted earnings per share are calculated by dividing profit attributable to members of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for any bonus element.

Share 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.

Functional and presentation currency

The functional and presentation currency of the Group is Australian dollars.

Comparatives

Where necessary, comparative information has been reclassified to be consistent with the current reporting period.

2. Summary of significant accounting policies (continued)

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. Estimates of future cash flows have been used to estimate fair value of the assets acquired and liabilities assumed in the business combination. In particular, the fair value of intangible assets have been calculated using management's estimates of future cash flows from each entity's identified intangible assets for the period of their expected useful life.

The residual goodwill arising from a business combination is tested for impairment at each balance date (30 June) and when circumstances indicate that the carrying value may be impaired. The Group bases its assumptions used to test the impairment of goodwill on detailed budgets and forecasts which are prepared for the Group's cash generating unit (*CGU*). These budgets generally cover a five year period, and a long-term growth rate (net of inflation) is used for longer periods.

Any impairment of goodwill is determined by assessing the recoverable amount of the CGU to which the goodwill relates. The Group has determined that it has one CGU, and where the recoverable amount is less than the carrying value of goodwill, an irreversible impairment loss is recognised.

The Group has not recognised deferred tax assets relating to carried forward capital gain tax losses on the basis that it does not expect to derive sufficient future capital gains to utilise the current losses within a 3 to 5 year time period. It has not recognised deferred tax assets relating to carry forward tax losses, due to the complexities arising from utilising losses acquired in subsidiaries.

3. Business Combinations and Acquisitions

On 21 January 2015, the Company changed its investment strategy from holding investments for future sale to retaining investments and integrating their operations. As a result of this change in strategy, the Company must now consolidate all its subsidiaries in accordance with AASB 10. The Company was deemed to have acquired those investments affected by the change in strategy on 1 January 2015. The deemed consideration to acquire the investments was fair value at 31 December 2014.

At 30 June 2015, the Company owned the following subsidiaries:

	30 June 2015
AWI Funds Pty Ltd (consolidated from 1 July 2014)	100%
Intelligent Investor Holdings Pty Ltd	100%
InvestSmart Pty Ltd	100%
Personal Investment Direct Access Pty Ltd	100%
Ziel Two Pty Ltd	100%
Yourshare Financial Services Pty Ltd	100%
Yourshare Plus Pty Ltd	100%
AWI Ventures Pty Ltd	100%

The entities acquired and the deemed consideration at 1 January 2015 were:

Entity		**31 December 2014**
	%	**$**
Intelligent Investor Holdings Pty Ltd - equity	100%	6,429,723
InvestSmart Pty Ltd	100%	4,475,060
Personal Investment Direct Access Pty Ltd	100%	2,524,940
Ziel Two Pty Ltd	100%	569,821
Yourshare Financial Services Pty Ltd	100%	11,278,288
Yourshare Plus Pty Ltd	100%	499,030
AWI Ventures Pty Ltd	100%	1,000,000
Total financial assets held at fair value		26,776,862

3. Business Combinations and Acquisitions (continued)

The revenue and profit (or loss) contributed from each acquired subsidiary for the period 1 Jan 2015 to 30 June 2015 was:

Entity	**Revenue**	**Net profit/(loss)**
Intelligent Investor Holdings Pty Ltd - equity	2,044,624	113,427
InvestSmart Pty Ltd	803,744	(200,831)
Personal Investment Direct Access Pty Ltd	656,869	656,714
Ziel Two Pty Ltd	326,803	301,641
Yourshare Financial Services Pty Ltd	2,582,464	777,298
Yourshare Plus Pty Ltd	-	(5,756)
AWI Ventures Pty Ltd	227,273	(15,202)

Assets acquired and Liabilities assumed

The fair value of the identified assets acquired and the liabilities assumed were:

	Intelligent Investor Holdings Pty Ltd	**InvestSMART Financial Services Pty Ltd**	**Personal Investment Direct Access Pty Ltd**	**Yourshare Plus Pty Ltd**	**Ziel Two Pty Ltd**	**Yourshare Financial Services Pty Ltd**	**AWI Ventures Pty Ltd**	**Total**
Assets								
Cash and cash equivalents	447,457	96,608	285,219	27,874	393,560	537,285	35,940	**1,823,943**
Other	103,261	14,197	-	-	12,529	1,846	-	**131,833**
Trade and other receivables	-	137,864	104,798	-	7,692	420,263	-	**670,617**
Fixed assets, including software	254,854	50,438	-	2,433	-	33,669	-	**341,394**
Deferred tax asset	95,773	-	-	-	-	-	-	**95,773**
Fixed assets a fair value through profit and loss	-	60,000	-	-	-	-	1,150,000	**1,210,000**
Loan to parent	-			-	-	-	108,839	**108,839**
Intangibles	1,236,000	1,586,000	1,978,000	-	-	5,210,000		**10,010,000**
	2,137,345	**1,945,107**	**2,368,017**	**30,307**	**413,781**	**6,203,063**	**1,294,779**	**14,393,399**
Liabilities								
Trade payables	-	206,415	350,000	2,315	202,732	1,655,665	29,000	**2,446,127**
Creditors	-	118,608	31,164	-	12,630	165,400	18,726	**346,528**
Loans Payable to parent	569,200	-	-	-	-	-	-	**569,200**
Loan from parent	-	-	-	-	-	-	247,053	**247,053**
Subscriptions received in advance	1,965,956	-	-	-	-	-	-	**1,965,956**
Other Creditors	802,059	-	-	-	-	-	-	**802,059**
	3,337,215	325,023	381,164	2,315	215,362	1,821,065	294,779	**6,376,923**
Total Identifiable Net Assets	**(1,199,870)**	**1,620,084**	**1,986,853**	**27,992**	**198,419**	**4,381,998**	**1,000,000**	**8,016,476**
Goodwill arising on acquisition (Note 11)	7,629,593	2,854,976	538,087	471,038	371,402	6,896,290	-	**18,761,386**
Acquisition consideration	**6,429,723**	**4,475,060**	**2,524,940**	**499,030**	**569,821**	**11,278,288**	**1,000,000**	**26,776,862**

The intangible assets acquired through the deemed acquisition of the investee companies, include the following:

- Distribution contracts with fund managers, life and general insurance providers, and health insurance providers
- Subscriber lists for newsletters, which assume a conservative renewal rate and a limited life.

3. Business Combinations and Acquisitions (continued)

The goodwill arising on the acquisition of each entity can be attributed to the expected future synergy benefits and customer lists (where not identified above) which are not separable. The goodwill arising on the acquisition of each entity is not deductible for tax purposes.

4. Revenue from commissions and subscriptions

	2015	2014
	$	$
Commission income	4,292,850	-
Subscription revenue	1,875,595	-
	6,168,445	-

5. Change in fair value of financial assets at fair value through profit and loss

	2015	2014
	$	$
Unrealised loss on investment in van Eyk Group Holdings Pty Ltd	(7,490,036)	(5,825,584)
Realised loss on listed investments	-	(349,033)
	(7,490,036)	(6,174,617)

6. Employee Benefit expense

	2015	2014
	$	$
Long Term Incentive Plan (LTIP)	7,184	94,941
Company issued options	(3,848)	3,848
	3,336	98,789

The cost of the LTIP shares and Company issued options have been estimated using the Monte-Carlo simulation and the Black-Scholes methodology and amortised to their vesting dates. The estimated fair value of the LTIP shares issued, or agreed to be issued, in the year to 30 June 2015 was $1,287,693, of which $102,125 was expensed in that year. The Company estimated the fair value of the LTIP share benefit issued to Mr Ben Heap the former Managing Director was $1,312,012 at the grant date, of which $94,941 had been expensed in 2014. This expense has been reversed in 2015.

The options issued by the Company in November 2013 to the former Chairman, Mr Andrew Barnes following the termination of the investment management contract were forfeited in November 2014, and cancelled following the resignation of the previous chairman. The Company estimated the fair value of these options was $137,917 at the grant date, of which $3,848 had been expensed in 2014. This expense has been reversed in 2015. A summary of the terms of the LTIP issued in 2015 are included in the Directors' Report.

7. Trade and other receivables

	2015	2014
	$	$
Trade receivables	785,899	-
GST receivable	-	48,096
Dividends receivable	-	1,300,000
	785,899	1,348,096

Receivables are non-interest bearing and unsecured. The credit risk exposure of the Group in relation to receivables is the carrying amount.

8. Income tax

(a) Income tax expense recognised in the Statement of Comprehensive Income

	2015	2014
	$	$
The components of income tax expense:		
Current income tax (expense) benefit	(129,716)	2,017,360
Adjustments for prior years	(9,976)	-
Deferred tax income relating to the origination and reversal of temporary differences	765,596	(2,017,360)
Total income tax (expense) benefit	625,904	-

8. Income tax (continued)

Deferred income tax related to items charged directly to equity	2,834,310	-

(b) Income tax expense

A reconciliation of income tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the entity's effective income tax rate for the years ended 30 June 2015 and 2014 is as follows:

Prima facie income tax benefit calculated at 30% (2014: 30%) on the operating profit	2,343,440	2,017,360
Add/(Less) tax effect of:		
Expenditure not deductible in current year	(87,620)	-
Differences arising on consolidation	405,000	-
Tax losses utilised from prior years	344,342	-
Adjustments for prior years	(132,247)	
Recognition (de-recognition) of current year deferred tax benefit	(2,247,011) -	(2,017,360)
Income tax (expense)/benefit	625,904	-

(c) Deferred tax assets and liabilities

Deferred Tax Assets
The deferred tax asset balance comprises temporary differences recognised as follows:

	2015 **$**	**2014** **$**
Accruals and provisions	246,641	-
Deductible capital expenditure	419,038	-
Tax losses carried forward	99,917	-
	765,596	-

Deferred Tax Liabilities
The deferred tax liability balance comprises temporary differences recognised as follows:

Intangibles	2,834,310	-
	2,834,310	-

The deferred tax liability arising from amortisation of the intangible assets has been charged against the goodwill arising on consolidation.

9. Financial assets held at fair value

	2015 **$**	**2014** **$**
Digital distribution investments	-	19,414,461
Intelligent Investor Group	-	6,890,776
van Eyk Group Holdings Pty Ltd	-	7,490,036
AWI Ventures Pty Ltd	-	1,000,000
AWI Ventures investee companies	1,610,000	-
Investments in Separately Managed Accounts	101,576	-
Financial assets at fair value through profit and loss	1,711,576	34,795,273

10. Fixed assets including software

	Buildings	Plant and equipment	Software
	$	$	$
Cost or valuation			
Opening balance 1 July 2014	-	-	-
Additions	-	18,439	40,729
Acquired in subsidiaries	24,248	107,915	206,522
Disposals	-	(8,604)	(35,761)
Balance at 30 June 2015	24,248	117,750	211,490
Depreciation and Impairment			
Opening balance at 1 July 2014	-	-	-
Depreciation charge for the period	506	21,643	68,705
Balance at 30 June 2015	506	21,643	68,705
Net book value at 30 June 2014	-	-	-
Net book value at 30 June 2015	23,742	96,107	142,785

11. Goodwill

	2015
	$
Entity:	
Intelligent Investor Holdings Pty Ltd	7,629,593
InvestSMART Financial Services Pty Ltd	2,854,976
Personal Investment Direct Access Pty Ltd	538,087
Yourshare Financial Services Pty Ltd	6,896,290
Yourshare Plus Pty Ltd	471,038
Ziel Two Pty Ltd	371,402
Deferred tax liability arising from amortisation of intangibles acquired	2,834,310
Total Goodwill acquired on 1 January 2015	21,595,696
Impairment charge	-
Goodwill balance carried forward	21,595,696

Goodwill is tested for impairment at each balance date using a discounted cash flow model on the net cash flows from the business. The Group performed its annual impairment test in June 2015. The Group considered the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 June 2015, the market capitalisation of the Group was higher than the book value of its equity, indicating no requirement for an impairment of goodwill and impairment of the assets of the operating segment.

The Group has determined it has one cash generating unit (*CGU*). The recoverable amount of the CGU as at 30 June 2015, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the projected increased demand for products and services. The pre-tax discount rate applied to cash flow projections is 11.6% and cash flows beyond the five-year period are extrapolated using a 2.5% growth rate that is the same as the long-term average growth rate for the financial services sector, and a long term inflation rate of 2.5%. It was concluded that the fair value less costs of disposal did not exceed the value in use. As a result of this analysis, management has not recognised an impairment charge against goodwill.

The calculation of value in use for the cash generating unit is most sensitive to the following assumptions:

- The future growth in the share market
- Discount rates
- Expected growth in wages and employee costs
- Growth rates used to extrapolate cash flows beyond the forecast period

Growth in share market - Growth in the share market is based on the long term averages for growth in the All Ordinaries accumulation index. A large proportion of the CGU's revenue is based on trailing commissions or investment management fees which are highly correlated with the movements in the Australian share market. A decrease of 4% in the All Ordinaries Accumulation Index would result in an impairment in the cash generating unit.

11. Goodwill (continued)

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and the risks incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the expected cost of interest-bearing borrowings the Group may be obliged to service. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. A rise in the pre-tax discount rate of 0.75% (i.e. +0.5%) would result in an impairment of $20,228.

Wage and Employee cost inflation - Management has considered the possibility of greater than forecast increases in employee costs. This may occur if inflation causes higher than forecast wage increase in the future. Forecast price inflation lies within a range of 1.5 to 2.5%. If wage costs increases are greater than the forecast price inflation and the Group is unable to pass on or absorb these increases through efficiency improvements, then the Group will have an impairment.

Growth rate estimates - Rates are based on long term expected growth rates for the Australian economy. Management recognises that the speed of technological change and the possibility of new entrants can have a significant impact on growth rate assumptions. The effect of new entrants may have an adverse impact on the forecasts, and reduce the estimated long-term growth rate of 2.5%. A long-term growth rate of 1 % would result in impairment in the carrying value of goodwill of $66,869.

12. Intangibles

Intangibles acquired at 1 January	**Fund distribution contracts**	**Subscriber lists**
	$	**$**
Acquired	8,774,000	1,236,000
Amortisation	(438,700)	(123,600)
Intangible balance carried forward	8,335,300	1,112,400

Fund distribution agreements were acquired as intangible assets under a business combination as at 1 January 2015. Whilst they have no expiry date, it is expected that customers on which the distribution fees are earned will leave over 10 years. Subscriber lists are assumed to have a 5 year life, based on the Group's historical experience, and therefore the intangible asset arising from those lists are amortised on a straight line basis.

13. Trade payables

	2015	**2014**
	$	**$**
Trade payables	439,211	-
Intelligent Investor final payment	-	2,300,000
Yourshare group final payment	-	75,168
	439,211	2,375,168

Payables are non-interest bearing and unsecured.

14. Other payables

	2015	**2014**
	$	**$**
Annual leave provision	137,340	22,831
Long service leave provision	29,858	-
PAYG and superannuation payables	233,428	94,721
Other payables	546,917	58,930
Webabout payment	400,000	-
	1,347,544	176,482

Payables are non-interest bearing and unsecured.

15. Issued capital

	2015 $	2014 $
Ordinary shares	58,522,440	58,522,440

	2015 No.	2015 $	2014 No.	2014 $
Opening balance	110,885,360	58,522,440	28,506,255	28,617,636
Share issues during the year	-	-	82,379,105	29,904,804
Share buy backs during the year	-	-	-	-
Closing balance	110,885,360	58,522,440	110,885,360	58,522,440

At 30 June 2015, 110,885,360 ordinary shares were on issue (2014: 110,885,360). An additional 16,500,000 were issued, or agreed to be issued, as part of the LTIP detailed in Note 6, but remain unvested at 30 June 2015. 10,569,384 unvested LTIP shares were forfeited under the LTIP and were cancelled during the period. As the shares issued under the LTIP remain unvested, they have been excluded from the table above.

(a) Terms and conditions
The Company has ordinary shares on issue. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

(b) Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor and market confidence. To achieve this the Directors monitor the monthly performance of the operating entities, the Group's management expenses, and share price movements. The Group is not subject to any externally imposed capital requirements. Capital relates to equity attributable to investors.

The primary objective of the Group’s capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust any dividend payment to investors, capital returns or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2015 and 30 June 2014.

16. Retained earnings

	2015 $	2014 $
Opening balance	(21,570,201)	(14,845,667)
(Loss) attributable to members of the Group	(7,185,564)	(6,724,534)
Closing balance	(28,755,765)	(21,570,201)

17. Auditors remuneration

	2015 $	2014 $
Auditing and reviewing the financial reports of the Group:		
Ernst and Young	133,900	41,873
	133,900	41,873

18. Related Party Information

(a) Key management personnel

The names of the persons who were key management personnel of the Group during the financial year were:

Paul Clitheroe
Andrew Barnes (resigned 17 November 2015)
Ben Heap (Managing Director - resigned 31 March 2015)
Ron Hodge
Nigel Poole
Alastair Davidson

18. Related Party Information (continued)

(b) Key management personnel remuneration

Income paid to key management personnel by the Group and related parties in connection with the management of affairs of the Group were:

	Short-term Employee Benefit Cash Salary & Fees	Employment Benefit Superannuation	Employee share benefit	Termination benefit	Total
2015	**1,325,827**	**90,123**	**3,336**	**223,228**	**1,642,514**
2014	393,692	18,367	98,789	-	510,848

The Directors' remuneration excludes insurance premiums paid and payable by the Group in respect of directors' liability insurance. Apart from the details disclosed in this note, no key management personnel have entered into a material contract with the Group during the financial year.

The Directors of Australasian Wealth Investments Limited are responsible for determining and reviewing compensation arrangements for the Managing Director and key management personnel. The Directors also assess the appropriateness of the nature and amount of emoluments of each Director on a periodic basis by reference to workload and market conditions. The overall objective is to ensure maximum stakeholder benefit from the retention of a high quality board whilst constraining costs.

The Directors' remuneration has been included in the remuneration report section of the Directors Report. The Company lent $5,073,304 to Mr Ben Heap, the former Managing Director to acquire 10,569,384 ordinary shares on 3 December 2013 (the grant date) as part of the Long Term Incentive Plan, subject to vesting terms, as approved by shareholders at the Annual General Meeting in October 2013. These share have not vested and therefore have not been included in share capital. The shares were forfeited following the resignation of the former Managing Director on 31 March 2015. The Company reversed the accrued expense of this director/employee share benefit of $94,941 during the year.

On 26 November 2014 (the grant date), the Company lent $1,000,000 to the Executive Chairman, Mr Paul Clitheroe, to acquire 4,000,000 shares, as part of the Long Term Incentive Plan, subject to vesting terms, as approved by shareholders at the Annual General Meeting in November 2014. These share have not vested and therefore have not been included in share capital. The Company estimates the fair value of this director/employee share benefit was $258,400 at the grant date.

On 17 June 2015 (the grant date), the Company agreed to lend $3,125,000 to three employees to acquire 12,499,968 shares, as part of the Long Term Incentive Plan, subject to vesting terms, as approved by shareholders at the Extraordinary General Meeting in June 2015. These share have not been issued, or vested and therefore have not been included in share capital. The Company estimates the fair value of this director/employee share benefit was $1,029,293 at the grant date.

(c) Shareholdings of key management personnel and their related entities

For the year ended 30 June 2015 Ordinary Shares	Balance at 1 July 2014	Shares held on appointment	Shares acquired / (disposed)	Shares issued upon option exercise	Balance at 30 June 2015
Andrew Barnes (resigned 17 November 2015)	6,987,907	-	(6,911,240)	-	76,667
Paul Clitheroe (appointed 26 November 2015)	-	-	5,000,000	-	5,000,000
Ron Hodge (appointed COO 1 April 2015)	-		4,166,666		4,166,666
Alastair Davidson	327,674	-	4,166,666	-	4,494,340
Nigel Poole			4,166,666		4,166,666
Ben Heap (resigned 31 March 2015)	10,669,384	-	(10,569,384)	-	100,000

For the year ended 30 June 2014 Ordinary Shares	Balance at 1 July 2013	Shares held on appointment	Shares acquired / (disposed)	Shares issued upon option exercise	Balance at 30 June 2014
Andrew Barnes	5,672,744	-	1,315,163	-	6,987,907
Alastair Davidson (resigned as a director 1 March 2014)	-	-	327,674	-	327,674
Ben Heap (appointed 29 November 2013)	-	10,569,384	100,000	-	10,669,384

18. Related Party Information (continued)

Key management personnel transactions concerning dividends and ordinary shares are on the same terms and conditions applicable to ordinary members.

(d) 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. Related party transactions in the reporting period with key management personnel were:

Ronnscam Pty Ltd (an entity controlled by A. Davidson) earned consulting fees for compliance work of $110,500 of which $27,500 (excluding GST) was outstanding at 30 June 2015.

Webabout Pty Ltd (an entity controlled by R. Hodge, N. Poole and A. Davidson) provided web hosting services to the Group and received a total of $31,946 for the period, of which $5,486 was unpaid at 30 June 2015. In addition, Webabout received a contract termination payment of $800,000, of which $400,000 is due at 30 June 2016, as noted above.

The Group received fees of $363,667 from Perpetual Guardian Trust, a New Zealand entity, which was controlled by Andrew Barnes. The contract to supply services to Perpetual Guardian Trust was terminated on 9 April 2015.

19. Segment information

The Group has only one reportable segment. The Group is engaged solely in retail financial services conducted in Australia, deriving revenue from commissions and subscriptions.

20. Financial risk management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

AASB 7 Financial Instruments: Disclosures identify three types of risk associated with financial instruments (i.e. the Group's investments, receivables and payables)

(i) Credit risk

The standard (AASB 7) defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. There are no other material amounts of collateral held as security at 30 June 2015.

Credit risk is managed as shown in Note 7 and with respect to receivables, and Note 20 for cash and cash equivalents. None of these assets are over-due or considered to be impaired.

(ii) Liquidity risk

The standard (AASB 7) defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Senior management monitors the Group's cash-flow requirements daily taking into account upcoming dividends, tax payments and investment activity.

The Group's inward cash-flows depend upon the level of trail commission and subscription revenue received. Should these decrease by a material amount, the Group would amend its outward cash-flows accordingly. As the Group's major cash outflows are the cost of employees and rebates of trail commissions, the level of both of these is managed by the Board and senior management.

The tangible assets of the Group are largely in the form of unlisted securities which may be difficult to liquidate in a timely fashion, and short term receivables.

The table below analyses the Group's non-derivative financial liabilities in relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the year-end date. The amounts in the table below are contractual undiscounted cash flows.

20. Financial Risk Management (continued)

	Less than 1 month	More than 1 month	Total
At 30 June 2015	**$**	**$**	**$**
Other payables	947,543	400,000	1,347,543
Trail commissions due to customers	237,501	1,504,467	1,741,968
Subscriptions received in advance	1,889,715	-	1,889,715
Trade and other payables	439,211	-	439,211
Total financial liabilities	3,513,970	1,904,467	5,418,437
At 30 June 2014			
Sundry payables	176,482	-	176,482
Trade and other payables	-	2,375,168	2,375,168
Total financial liabilities	176,482	2,375,168	2,551,650

(iii) Market risk

The standard (AASB 7) defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

A general fall in market prices of 5 per cent and 10 per cent, if spread equally over all investments would lead to a reduction in the Group's equity and increase the reported loss by $85,579 and $171,158 respectively (2014: $1,739,764 and $3,479,527 respectively). Following the change in investment strategy, the Group’s investments are now $1,711,576.

The Group is also not directly exposed to currency risk as all its operations are conducted in Australian dollars. The Group is engaged in activities conducted solely in Australia.

Derivative financial instruments

A derivative is a financial contract whose value depends on, or is derived from, underlying assets, liabilities or indices. Derivative transactions include a wide assortment of instruments, such as forwards, futures, options and swaps.

Derivatives are considered to be part of the investment process. The use of derivatives is an essential part of proper portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multi-faceted and includes:

(i) hedging to protect an asset of the Group against a fluctuation in market values or to reduce volatility;
(ii) as a substitute for physical securities; and
(iii) adjustment of asset exposures within the parameters set out in the investment strategy.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors. The Group does not hold derivative instruments.

Interest rate risk

The Group's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Sensitivity analysis - interest rate risk

An increase of 75 basis points in interest rates over the reporting period would have increased the Group's profit by $24,696 (2014: $63,422). A decrease of 75 basis points would have an equal but opposite effect.

20. Financial risk management (continued)

As at 30 June 2015, the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and financial liability is set out in the table below:

	Weighted average interest rate (% pa)	Floating interest rate $	Non-interest bearing $	Total $
Financial assets				
Cash assets	1.50	3,292,828	-	3,292,828
Trade and other receivables		-	785,899	785,899
Prepayments		-	163,284	163,284
Rental deposit	1.50	93,290	-	93,290
Financial assets at fair value through profit or loss		-	1,711,576	1,711,576
		3,386,118	2,660,759	6,046,877
Financial liabilities				
Other payables		-	1,347,543	1,347,543
Trail commissions due to customers		-	1,741,968	1,741,968
Subscriptions received in advance		-	1,889,715	1,889,715
Trade and other payables		-	439,211	439,211
		-	5,418,437	5,418,437
Net financial assets		3,386,118	(2,757,678)	628,440

As at 30 June 2014, the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and financial liability is set out in the table below:

	Weighted average interest rate (% pa)	Floating interest rate $	Non-interest bearing $	Total $
Financial assets				
Cash assets	1.50	3,383,947	-	3,383,947
Trade and other receivables		-	1,348,096	1,348,096
Prepayments		-	7,541	7,541
Rental deposit	1.50	67,821	-	67,821
Financial assets at fair value through profit or loss		-	34,795,273	34,795,273
		3,451,768	36,150,910	39,602,678
Financial liabilities				
Sundry payables			176,482	176,482
Trade and other payables		-	2,375,168	2,375,168
		-	2,551,650	2,551,650
Net financial assets		3,451,768	33,599,260	37,051,028

Fair value hierarchy

AASB 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the

20. Financial risk management (continued)

significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the Group's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June:

	Level 1 $	Level 2 $	Level 3 $	Total $
At 30 June 2015				
Financial assets				
Financial assets held at fair value through profit or loss	-	101,576	1,610,000	1,711,576
Total	-	101,576	1,610,000	1,711,576
At 30 June 2014				
Financial assets				
Financial assets held at fair value through profit or loss	-	-	34,795,273	34,795,273
Total				

During the reporting period ending 30 June 2015 there was no transfers between Level 1 and Level 2 fair value measurements.

Financial instruments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, certain unlisted unit trusts and exchange traded derivatives.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

The following table shows a reconciliation of the movement in the fair value of financial instruments categorised within level 3 between the beginning and the end of the reporting period:

Balance as at 1 July 2014	34,795,273
Reduction in purchase price	(528,375)
Disposal of unlisted equities through business combination	26,776,862
Unlisted equities acquired through acquired entities	1,150,000
Unlisted equities acquired in the period	500,000
Unlisted equities disposed during the period	(40,000)
Impairment charge on unlisted equities	(7,490,036)
Balance as at 30 June 2015	1,610,000

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Unlisted equities are classified within level 3.

Description of significant unobservable inputs to valuation of Level 3 assets

The table below shows the assumptions used by management in assessing fair value of its investments in unlisted equities.

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity to fair value
AWI Ventures investee companies	At Cost or Director's valuation	Last issue price of new equity, last traded price of equity	N/A	A issue of new equity, or trade in existing equity, at a higher or lower may have significant effect on fair value

AWI Ventures Pty Ltd has invested into 11 start-up companies in the financial technology sector. These companies have little or no revenue and therefore cannot be valued using DCF. The fair value of the investee companies has been assessed as the price the unlisted shares were last traded at, their historic cost, the value at which each investee company raised a material amount of new capital, or the Directors' valuation, if lower.

21. Statement of Cash Flows

(a) Reconciliation of net profit from ordinary activities after income tax to net cash provided by operating activities

	2015 $	2014 $
Operating (loss)	(7,185,564)	(6,724,534)
Non-cash items in operating loss		
Unrealised change in fair value of financial assets through profit or loss	7,490,036	6,174,617
Employee benefit expense	(28,545)	98,789
Depreciation and amortisation	653,153	-
Non-cash transactions with subsidiaries	636,434	-
Deferred tax asset created	(765,596)	
Loss on disposal of fixed asset	43,883	-
Write off of sundry expense	145	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	787,792	(1,338,809)
(Increase)/decrease in prepayments	(106,680)	3,129
Increase/(decrease) in trade and other payables	(2,095,784)	102,816
Net cash (outflow)/inflow from operating activities	(538,845)	(1,683,992)

(b) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

	2015 $	2014 $
Cash at bank	3,292,828	3,383,947
	3,292,828	3,383,947

The credit risk exposure of the Group in relation to cash is the carrying amount and any accrued unpaid interest. Cash investments are held with a number of banks all of which are rated AA- by Standard and Poor's.

22. Earnings per share

	2015 cents	2014 cents
Basic and diluted earnings per share (cents per share)	(6.48)	(8.07)

As the Group is in a loss position, share based incentive plans do not affect the diluted earnings' per share calculation as potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

	2015	2014
Weighted average number of ordinary shares outstanding during the year used in calculating basic earnings per share	110,885,360	83,369,891
Weighted average number of ordinary shares outstanding during the year used in calculating diluted earnings per share	122,964,569	91,370,086

23. Franking account

	2015 $	2014 $
Opening balance of franking account	1,723,473	1,723, 473
Franking credits on dividends received	-	-
Closing balance of franking account	1,723,473	1,723,473
Adjustments for tax payable/refundable in respect of the prior year's profits	82,498	-
Adjusted franking account balance	1,805,971	1,723,473

24. Parent Entity Information

	2015 $
Statement of Financial Position	
Assets	
Current assets	572,185
Non-Currents assets	28,745,879
Total Assets	29,318,064
Liabilities	
Current Liabilities	592,907
Total Liabilities	592,907
Net Assets	28,725,157
Equity	
Contributed Equity	58,522,441
Employee benefit reserve	102,125
Retained earnings	(29,899,409)
Total Equity	28,725,157
Statement of Profit or Loss and other Comprehensive Income	
Net loss for the year after income tax expense	8,329,207
Total Comprehensive income for the year	8,329,207

The accounting policies of the parent entity, Australasian Wealth Investments Limited, which have been used in determining the financial information shown above, are the same as those applied in the Group's consolidated financial statements, as detailed in Note 1.

At 30 June 2015, Australasian Wealth Management Limited had commitments for an office lease at Level 1, 19-31 Pitt Street, Sydney NSW 2000, for $55,155.

25. Events occurring after reporting date

Since 30 June 2015, there have been no significant events up to the date of these financial statements.

26. Contingent liabilities and commitments

	2015 $	2014 $
Within one year	307,739	110,230
After one year but less than five years	84,341	55,115
Total	392,080	165,345

At 30 June 2015, the Group had commitments of $392,080 (2014: $165,345) for leased premises. The Group has leases over its offices at Level 1, 19-31 Pitt St, Sydney NSW 2000, until 31 December 2015, Level 2, 122 Pitt St until 30 September 2016, 36 East Esplanade , Manly until 30 September 2016, and Gibraltor Square, Bowral until 28 February 2017.

There are no other contingent liabilities or commitments at 30 June 2015.

27. Company details

The registered office and principal place of business of the Company is:

Level 2, 122 Pitt Street
Sydney NSW 2000

Directors' declaration

In accordance with a resolution of the Directors of Australasian Wealth Investments Limited, I state that:

1. In the opinion of the Directors:

   (a) The financial statements, notes and the additional disclosures included in the Director's Report designated as audited, of the Company are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the financial position of the Company as at 30 June 2015 and of its performance for the year ended on that date.

      (ii) complying with Australian Accounting Standards, International Financial Reporting Standards (IFRS) as disclosed in Note 2(a) and Corporations Regulations 2001.

   (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

On behalf of the Board

Paul Clitheroe
Executive Chairman
Dated this 28th day of August 2015 at Sydney

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Independent auditor's report to the members of Australasian Wealth Investments Limited

Report on the financial report

We have audited the accompanying financial report of Australasian Wealth Investments, which comprises the consolidated statement of financial position as at 30 June 2015, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period ended 30 June 2015, 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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2(a), the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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 audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of Australasian Wealth Investments is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2(a).

Report on the remuneration report

We have audited the Remuneration Report included on page 7-10 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 Australasian Wealth Investments for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Jonathan Pye

Jonathan Pye
Partner
Sydney
28 August 2015