iBuyNew Group Limited

ABN 20 108 958 274

Financial Report

For the Year Ended 30 June 2019

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Directors' Report

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of the Group, being iBuyNew Group Limited ("the Company") and the entities it controlled, for the financial year ended 30 June 2019.

1. GENERAL INFORMATION

Information on Directors and company secretaries

The names, qualifications, experience and special responsibilities of each person who has been a Director or company secretary during the year and to the date of this report are:

Mr Stephen Quantrill	**Director (Non-executive) (Appointed 20 February 2018)**
Qualifications and Experience	Mr Stephen Quantrill has over 20 years' experience in multifaceted roles in business leadership, ownership and advisory. He acts as Chairman and Company Director across a range of businesses and industries, including in investment, resources (iron ore, oil and gas), property, biotechnology, agri-industry, advisory and engineering. Stephen's roles include Executive Chairman of McRae Investments, the venture capital and investment holding company established by Harold Clough in 1965. He holds a BSc (Civil Engineering), Bachelor of Commerce, and an MBA, and is a Fellow of FINSIA, a Graduate Member of the Australian Institute of Company Directors, and a Member of Engineers Australia.
Interest in shares, options and performance rights	None.
Special responsibilities	None.
Other directorships in listed entities held in the previous three years	NeuroScientific Biopharmaceuticals (ASX: NSB).

Mr Bill Nikolouzakis	**CEO and Executive Director (Appointed CEO- 24 August 2018 and Executive Director 8 October 2019)**
Qualifications and Experience	Bill Nikolouzakis is the founding Director of Nyko Property. With over 14 years' experience in both property marketing and banking, Bill knows what it takes to make property investment and development ventures successful. Bill holds a full Estate Agents Licence, in addition to several financial services and management accreditations. Bill is a seasoned investor with a banking background – positioning him ideally to assess each project from a holistic standpoint. Bill's unique skill set allows him to swiftly identify properties with the best opportunity to perform as investment vehicles. Bill manages daily operations at Nyko Property whilst mentoring administration staff and Key Account Managers.
Interest in shares, options and performance rights	Shares: 372,687 directly held, 6,667 indirectly held. Unlisted Performance Rights: 300,000
Special responsibilities	Chief Executive Officer (CEO)

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Other directorships in listed entities held in the previous three years	None.

Mr Kar Wing Ng	**Director (Non-executive) (Resigned 5 September 2019)**
Qualifications and Experience	Mr Kar Wing (Calvin) Ng has significant investment banking, mergers and acquisitions and funds management experience. Calvin is a co-founder and Managing Director of the Aura Group, an independent corporate advisory and funds management business. He is also a co-founder and Non-Executive Director of the Finsure Group.
Interest in shares, options and performance rights	Shares: 9,168 directly held, 340,752 indirectly held.
Special responsibilities	None.
Current Directorships	Catapult Group International Limited (ASX:CAT)
Other directorships in listed entities held in the previous three years	None.

Mr Warren McCarthy	**Chairman (Non-executive) (Appointed Chairman 24 August 2018 - Resigned Chairman and Non-executive Director 14 June 2019)**
Qualifications and Experience	Mr Warren McCarthy is an experienced Director seasoned in all aspects of real estate business, strategy and investment with significant expertise in sales, property management, franchising and e-commerce platforms.
Interest in shares, options and performance rights	None.
Special responsibilities	None.
Other directorships in listed entities held in the previous three years	None.
Other directorships in listed entities held in the previous three years	None.

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Mr Alessandro Caraco	**Managing Director (Chief Executive Officer) (Resigned 24 August 2018)**
Qualifications and Experience	Mr Alessandro (Alex) Caraco is a seasoned professional with over 37 years of experience across the real estate sector, with a particular focus on high volume sales and management. He has successfully operated real estate businesses both in Australia and internationally, and was the former CEO and master franchisor at Coldwell Banker Australia for 11 years demonstrating strong commercial skills with exposure to corporate restructure, mergers and acquisitions. Alex has completed a number of Real Estate franchising and financial analysis courses at both Griffith and Armidale Universities and is a licenced Agent in NSW, QLD and WA.
Interest in shares, options and performance rights	None.
Special responsibilities	None.
Other directorships in listed entities held in the previous three years	None.

Directors or company secretaries have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Mrs Aliceson Rourke	**Appointed 1 May 2017. Resigned 1 April 2019.**
Qualifications	B. Com, University of Wollongong, Graduate Diploma of Applied Corporate Governance, Member of The Institute of Chartered Accountants Australia and New Zealand.
Experience	Experienced Chartered Accountant and Company Secretary. Extensive experience in all aspects of public company finance, administration and governance including listings on the Australian Securities Exchange, public capital raisings, and capital restructures, mergers and acquisitions.
Mr Bob Kerr	**Appointed 1 April 2019. Resigned 5 September 2019**
Experience	Bob is a corporate lawyer specialising in funds management and mergers & acquisitions for both publicly listed and privately held entities. He has had over 14 years' experience, including 8 years with Gilbert + Tobin and 3 years as general counsel of an ASX-listed fintech company and an ASX-listed financial services company.

Principal activities and significant changes in nature of activities

iBuyNew Group Limited operates iBuyNew.com.au and Nyko Property. iBuyNew and Nyko respectively operate a leading Australian online marketplace and a research and advisory firm that helps buyers find, compare and buy new property.

iBuyNew.com.au is where Australians go to buy new property. The platform allows prospective buyers to compare, reserve and buy from more than 7,500 listings across 400 developments. Nyko focuses on new property distribution to B2B/corporate partners through research reports and its advisory services. Together, the businesses distribute new property sales across B2C and B2B channels across Australia.

There were no other significant changes in the nature of the Group's principal activities during the financial year.

2. OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

Review of Financial Results

The consolidated loss for the Group increased by 209% to ($5,387,370) after providing for income tax (2018: $1,742,748 loss). Revenue decreased to $2,590,135 compared to (2018: $5,388,158). The net liabilities of the Group at 30 June 2019 increased to ($2,021,817) (2018: $1,371,287 net assets), while current assets increased to $2,594,556 (2018: $2,214,449).

The results included a number of one-off expenses that were required in compliance with IFRS and Australian Accounting Standards. Total One-off and abnormal expenses of $2.231m, this included a one-off goodwill impairment expense of $1.718m.

At the end of FY19 the Group held a consolidated cash balance $277k (includes $117k restricted cash held on trust).

Strategic Developments

As market conditions for new property remain subdued across the eastern and western seaboard during the FY19 period, the Group continued to focus on its cost reduction program to re-align the business with current market conditions. The removal of costs and restructuring has pivoted the Group's operations to focus heavily on settlements which form a significant portion of the total cash collected during FY19.

At the beginning of H2 FY19, the Group entered into a $2.450m senior secured loan facility (before transaction costs). The secured facility comprised of two tranches, where tranche 1 of $1.95m made up of a combination of new lenders and $600k of convertible bond holders rolling into the secured facility. Tranche 2 an undrawn facility of $500k commitments on arm's length terms with entities associated with McRae investments Pty Ltd. This has provided working capital and allowed the Group to retire $750k of matured debt where $250k was paid to Mark Mendel and nominees, the vendors of Find Solutions Australia (the entity which owned the iBuyNew.com.au business) and $500k of existing convertible bond holders.

During the Q4 FY19 quarter the Group reduced its senior secured loan facility by $65,000 through the sale of the unprofitable WA rent roll which it received through the IPG acquisition. The total senior secured loan facility is now $1,885,000 with a maturity date of 4 January 2020.

The Board is continuing to undertake due diligence on potential complimentary acquisitions to evaluate both the strategic, technological and commercial fit in order to understand the opportunities and risks associated with these acquisitions and will report to the market and shareholders the outcomes in due course.

Operational Performance

The Australian property market continued to remain subdued throughout FY19, with new apartment sales displaying weak results. As a result of the continued new apartment downturn, the Group continued its efforts to remove costs and restructure its entire operations to focus heavily on settlements which formed a significant portion of the total cash collected during FY19.

Despite the current market slowdown, the Group continued to collect cash from property settlements from past sales during FY19. There were no other significant changes in the nature of the Group's principal activities during the financial year.

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3. OTHER ITEMS

Dividends paid or recommended

The Group has not paid or declared any dividends during the financial year (2018: Nil).

Events since the end of the financial year

On 5 September 2019, the Group announced that it would enter into a trading halt pending changes to the Group's board.

On 9 September 2019, the Group requested voluntary suspension be applied to its securities further to changes of the Group's board, company secretary and strategic review.

On 10 October 2019, the Group announced that CEO Bill Nikolouzakis was appointed as Executive Director of iBuyNew Group and IBN proposed the disposal and sale of selected assets of iBuyNew and Nyko Property platforms for a cash consideration of $500,000. The sale excludes the Group's future receivables commission books from previous sales generated by the Group. The disposal of a main undertaking required shareholder approval and is subject to several conditions precedent and subsequent post completion.

On 15 October 2019, the Group raised $100,000 via a placement of new ordinary fully paid shares at an issue price of $0.020 per share. It was agreed that the monies received by the issuer will be treated as unsecured debt with those monies to be used as subscription proceeds until after a future conditional placement is approved by shareholders at the Group's next general meeting. The placement shares included 1 attaching unlisted option for every 1 Share issued with each option having an exercise price of $0.05 with an expiry two weeks after the issue of the Group's FY25 full-year results.

Likely developments and expected results of operations

The Group remained focused on the removal and restructuring of costs. As a result, the Group has pivoted operations to focus heavily on settlements which form a significant portion of the total revenue collected during FY19.

The Group remain in discussions with potential parties regarding potential transactions. As on-going discussions are incomplete, incapable of acceptance and not binding, accordingly, this information has not been disclosed in this report as they may result in unreasonable prejudice to the Group.

Environmental regulations

The Group's operations are not regulated by any environmental law of the Commonwealth or of a state or territory of Australia.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to being proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Indemnification and insurance of officers and auditors

During the financial year, the Group paid a premium to insure the Directors and officers of the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities (other than legal costs) that arise from

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conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

During or since the end of the financial year, the Group has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums in favour of its Directors as follows:

- subject to the Corporations Act 2001, an indemnity in respect of liability to persons other than the Group and its related bodies corporate, that they may incur while acting in their capacity as an officer of the Group or a related body corporate, except for specified liabilities where that liability involves a lack of good faith or is for legal costs for defending certain legal proceedings; and

- the requirement that the Group maintain appropriate directors' and officers' insurance for the officer.

No liability has arisen under these indemnities as at the date of the report.

There is no indemnity cover in favour of the auditor of the Group during the financial year.

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group is important and relevant where the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110*: Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

There were no additional services provided by Stantons International Audit and Consulting Pty Ltd during the year as disclosed in Note 8 for the year ended 30 June 2019.

ASIC Corporations Instrument 2016/191 rounding of amounts

The Company is an entity to which ASIC Corporations Instrument 2016/191 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest dollar, unless otherwise indicated.

Meetings of Directors

Three formal meetings of the Directors were held during the financial year with an additional thirteen meetings conducted via electronic means and circular resolutions:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Mr Stephen Quantrill	16	16
Mr Calvin Ng	16	16
Mr Warren McCarthy	15	13
Mr Alex Caraco	1	1

Shares under option

On 24 August 2018, 600,000 performance rights (post consolidation) were issued to Mr Bill Nikolouzakis as long term incentives as CEO subject to certain performance hurdles. On 30 June 2019, 300,000 performance rights (post consolidation) lapsed as vesting conditions were not met. 300,000 performance rights stand with vesting conditional to expire 30 June 2020.

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On 4 April 2018, 605,000 unlisted options were issued as free attaching options to the participants of the capital raise that successfully raised $1,215,000. The options are exercisable at $2 per share and expire two weeks after the Group releases its FY20 full year financial results. No options were granted over unissued shares or interests during or since the end of the financial year ended 30 June 2019

No shares were issued on the exercise of options during the financial year ended 30 June 2019. No further shares have been issued on the exercise of options since 30 June 2019. No further options have been issued since 30 June 2019.

4. REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration agreements for the Group in accordance with the requirements of the Corporations Act 2001 and its regulations.

The information provided in this remuneration report has been audited as required by section 308 (3C) of the Corporations Act 2001.

The key management personnel of the Group for the year consisted of the following Directors of iBuyNew Limited:

Name of Director	Position	Date Appointed	Date Ceased
Mr Stephen Quantrill	Non-executive Director	20 February 2018	Current
Mr Bill Nikolouzakis	CEO and	24 August 2018	Current
	Executive Director	8 October 2019	Current
Mr Warren McCarthy	Non-executive Director	1 June 2018	14 June 2019
Mr Calvin Ng	Non-executive Director	1 February 2013	5 September 2019
Mr Alex Caraco	CEO and Managing Director	22 March 2017	24 August 2018

Principles used to determine the nature and amount of remuneration

The performance of the Group depends on the quality of its directors and executives.

To prosper, the Group must attract, motivate and retain highly skilled directors and executives. To this end, the Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives; and
- establish appropriate performance hurdles in relation to variable executive remuneration.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and senior managers of the Group on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

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Group performance and link to remuneration

At the Annual General Meeting held on 31 October 2016, shareholders approved the issue of 7,500,000 performance rights in three tranches to past directors. The performance rights have either lapsed or performance targets not met, as a result, none of the 7,500,000 performance rights were issued. During the year, the Group granted 600,000 performance rights (post consolidation) to its CEO (Bill Nikolouzakis). At 30 June 2019, 300,000 of these performance rights lapsed without being issued.

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

The table below details the last four years earnings and total shareholders return.

	$	$	$	$	$
	2019	**2018**	**2017**	**2016**	**2015**
Revenue	2,590,135	5,388,158	3,640,115	3,390,542	109,175
EBITDA	(4,685,734)	(1,474,762)	(2,858,047)	(1,990,262)	(127,184)
EBIT	(5,124,207)	(1,537,829)	(2,920,446)	(2,040,254)	(146,204)
Loss after income tax	(5,387,370)	(1,742,748)	(3,102,082)	(2,142,708)	(108,580)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	$	$	$	$	$
	2019	**2018***	**2017***	**2016***	**2015***
Share price at financial year end	0.024	0.003	0.003	0.0126	0.0135
Total dividends declared	-	-	-	-	-
Basic loss per share (cents)	(24.95)	(9.59)	(0.311)	(0.323)	(0.023)

(*) the share price for above years are pre the Group's 100/1 share consolidation.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and senior executive remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, while incurring costs that are acceptable to shareholders.

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Structure

Each Non-executive director receives a fixed fee for being a Director of the Group.

The Constitution and the ASX Listing Rules specify that the maximum aggregate remuneration of Non-Executive directors shall be determined from time to time by a general meeting of shareholders. As documented in the 6 February 2013 prospectus, the total maximum amount of remuneration of non-executive directors is set at $500,000. From 1 July 2017, all Non-Executive Directors reduced their directors' fees to $30,000 per annum. In 2019, the Group paid Non-executive directors a total of $90,000 ($70,804 in 2018).

The amount of aggregate remuneration sought to be approved by shareholders and the fixed fees paid to directors are reviewed annually. The Board considers fees paid to Non-executive directors of comparable companies when undertaking the review

Executive remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and to:

- reward executives for Group and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure

A policy of the Board is the establishment of employment or consulting contracts with the Chief Executive Officer and other senior executives. Remuneration consists of fixed remuneration under an employment or consultancy agreement and may include long term equity-based incentives that are subject to satisfaction of performance conditions.

Details of these performance conditions are outlined in the equity-based payments section of this remuneration report. The equity-based incentives are intended to retain key executives and reward performance against agreed performance objectives.

Fixed remuneration

The level of fixed remuneration is set to provide a base level of remuneration that is both appropriate to the position and competitive in the market. Fixed remuneration is reviewed annually by the Board and the process consists of a review of Group-wide and individual performance, relevant comparative remuneration in the market, and internal and (where appropriate) external advice on policies and practices.

Senior executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and expense payment plans, such that the manner of payment chosen is optimal for the recipient without creating additional cost for the Group.

Remuneration policy and performance

Other than Mr Caraco and Mr Nikolouzakis, none of the other executive's remuneration is at risk' remuneration. Refer below for further information on Mr Caraco's and Mr Nikolouzakis's remuneration. The company did not engage with a remuneration consultant during the year.

Remuneration details for the year ended 30 June 2019

Details of the remuneration of the Directors and key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) and the highest paid executives of iBuyNew are set out in the following tables.

	Short-term benefits		Post-employment benefits	Share based payments	
	Salary and fees	**Non-monetary benefits**	**Superannuation**	**Other**	**Total**
2019	**$**	**$**	**$**	**$**	**$**
Directors					
Non-executive directors					
Calvin Ng (1)	30,000	-	-	-	30,000
Stephen Quantrill (1)	30,000	-	-	-	30,000
Warren McCarthy (1)	30,000	-	-	-	30,000
Total non-executive directors	**90,000**	**-**	**-**	**-**	**90,000**
Executive directors and key management					
Alex Caraco	66,919	14,720	4,322	-	85,961
Bill Nikolouzakis	250,167	-	23,766	27,000	300,933
Total	**407,086**	**14,720**	**28,088**	**27,000**	**476,894**

(1) A portion of the fees are included in accrued fees and payables of $76,716 which remain unpaid at date of the report. Refer to Note 24 (c)

Mr Bill Nikolouzakis was appointed on 24 August 2018 as CEO.

Mr Warren McCarthy resigned as Chairman and Non-executive Director on 15 June 2019. Mr Alex Caraco resigned on 24 August 2018.

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	Short-term benefits		Post-employment benefits	Share based payments	
	Salary and fees	**Non-monetary benefits**	**Superannuation**	**Other**	**Total**
2018	**$**	**$**	**$**	**$**	**$**
Directors					
Non-executive directors					
Calvin Ng	30,000	-	-	-	30,000
Stephen Quantrill	10,804	-	-	-	10,804
Warren McCarthy	2,500	-	-	-	2,500
Andrew Jensen	27,500	-	-	-	27,500
Total non-executive directors	**70,804**	**-**	**-**	**-**	**70,804**
Executive directors and key management					
Alex Caraco	175,489	-	16,671	-	192,160
Bill Nikolouzakis	247,850	-	23,546	-	271,396
Total	**494,143**	**-**	**40,217**	**-**	**534,360**

Director and KMP shareholdings

The number of shares held in the Company during the financial year by each Director and key management personnel of iBuyNew Group Limited, including their personally related parties, are set out below.

	Balance at beginning of year	Received as part of remuneration	Other changes (*)	Balance at end of year
2019				
Calvin Ng	34,991,680	-	(34,641,760)	349,920
Stephen Quantrill	-	-	-	-
Alex Caraco	166,670	-	(166,670)	-
Warren McCarthy	-	-	-	-
Bill Nikolouzakis	37,268,518	-	(36,889,164)	379,354
2018				
Calvin Ng	34,991,680	-	-	34,991,680
Stephen Quantrill	-	-	-	-
Warren McCarthy	-	-	-	-
Alex Caraco	166,670	-	-	166,670
Andrew Jensen	6,418,889		(6,418,889)	-
Bill Nikolouzakis	32,407,407	-	4,861,111	37,268,518

* Includes share consolidation on 5 February 2019

KMP option holdings

The number of options held in the Group during the financial year by each Director and member of key management personnel of IBuyNew Group Limited, including their personally related parties was NIL. (30 June 2018: NIL).

KMP performance rights holdings

	Balance at beginning of year	Received as part of remuneration	Other changes	Balance at end of year
2019				
Bill Nikolouzakis (*)	-	600,000	(300,000)**	300,000
2018				
Bill Nikolouzakis	-	-	-	-

*All performance rights shown on post consolidation basis.
**300,000 performance rights were lapsed as the vesting conditions were not met.

Relationship between remuneration policy and Group performance

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

	Fixed remuneration		At risk STI		At risk LTI	
	2019 %	2018 %	2019 %	2018 %	2019 %	2018 %
Directors						
Calvin Ng	100.00	100.00	-	-	-	-
Stephen Quantrill	100.00	100.00	-	-	-	-
Warren McCarthy	100.00	100.00	-	-	-	-
Alex Caraco	100.00	96.87	-	3.13	-	-
Bill Nikolouzakis	87.72	90.78	3.38	9.22	8.9	-

Service agreements

From 24 August 2018, Bill Nikolouzakis was appointed as CEO of the Group.

Under the terms of this contract

- Mr Nikolouzakis may resign from his position and thus terminate this contract by giving three months' written notice.
- The Group may terminate the employment agreement by providing three months' written notice or providing payment in lieu of the notice period (based on the fixed component of Mr Nikolouzakis remuneration).
- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the employee is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.
- The remuneration package is structured as a salary of $240,000 (plus superannuation) per annum commencing on the Appointment Date.
- Mr Nikolouzakis's employment agreement provides for issuing performance incentives subject to the achievement of defined targets. These include;
  (a) Short Term Incentives for the financial years ending FY19 and FY20 will be calculated on each six month period (i.e each financial year and each half year as follows;
  (b) Long Term Incentives being Sixty (60) million performance rights (pre-consolidation) issued and, if vested, exercisable for nil consideration. Unvested performance rights will lapse and vested but unexercised performance rights will expire on 31 December 2020. The performance rights will vest over the next two years subject to meeting the following key performance metrics; and
  (c) The conditions of the Incentive were chosen in line with the goals of the company for the financial year.

Benchmark	100% Revenue Target	200% Revenue Target
Where the financial year or half year (as applicable) to date Earnings before Interest and Taxes (EBIT) > $1	$50,000 for the relevant six month period.	$100,000 for the relevant six month period.

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Benchmark	FY19 Vesting Conditions (*)(**)	FY20 Vesting Conditions (**)
Revenue	10% will vest on the Company achieving at least $6.12 million gross annual revenue FY19.	10% will vest on the Company achieving at least $6.12 million x 1.33 gross annual revenue FY20.
Profitability	10% will vest on the Company achieving earnings before interest and tax (EBIT) of greater than $0 in FY19.	10% will vest on the Company achieving earnings before interest and tax (EBIT) of greater than $0 in FY20.
Operating cashflow positively	10% will vest on the Company achieving positive annual cashflow of greater than $0 in FY19.	10% will vest on the Company achieving positive annual cashflow of greater than $0 in FY20.
Share Price	20% will vest when a share price of $0.005 per share is maintained in relation to the Company for a minimum of 20 consecutive days trading on ASX in FY19.	20% will vest when a share price of $0.01 per share is maintained in relation to the Company for a minimum of 20 consecutive days trading on ASX in FY20.

*The FY 19 vesting conditions were not achieved and the rights lapsed

** All shares and share prices in the above table are on a pre-consolidation basis.

Alex Caraco, was an employee of the Group under an agreement commencing on 22 March 2017, resigning on 24 August 2018.

Under the terms of the contract:

- Mr Caraco may resign from his position and thus terminate this contract by giving one months' written notice.
- The Group may terminate the employment agreement by providing one months' written notice or providing payment in lieu of the notice period (based on the fixed component of Mr Caraco's remuneration).
- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the CEO is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.
- Mr Caraco's employment agreement provides for issuing performance incentives subject to the discretion of the Board. During the 2018 and 2019 financial years, there have been no performance incentives issued to Mr Caraco.
- The remuneration package is structured as follows:
  - (a) Salary of:
    - (i) $150,000 (plus superannuation) per annum commencing on the Appointment Date up to (and including) 30 June 2017; and
    - (ii) $170,000 (plus ssuperannuation) per annum commencing on 1 July 2017;
  - (b) a commission of 0.1% of the purchase price of each property sold by IBN (excluding any sales by the Nyko business) payable from 1 July 2017 as follows:
    - (i) 50% of the commission will be paid from any upfront commission received by IBN within 20 business days after IBN has received its upfront commission from the settlement of each such sale; and

(ii) the remaining 50% (or, if no upfront commission was received, 100%) of the commission will be 20 business days after IBN has received its commission from the settlement of each such sale.

From 1 July 2017, all Non-executive Directors reduced their Non-executive fees to $30,000 per annum.

Equity-based compensation

Details of the performance rights and options granted as remuneration to those key management personnel and executives during the year:

Share-based payments	Granted in 2019	Lapsed in 2019	Vested	Non-vested	Value at grant date	Value expensed in 2019	Proportion of remuneration
	No	No.	No.	No.	$	$	%
Directors							
Bill Nikolouzakis (*)	600,000	(300,000)	-	300,000	27,000	27,000	8.9
Calvin Ng	-	-	-	-	-	-	-
Stephen Quantril	-	-	-	-	-	-	-
Warren McCarthy	-	-	-	-	-	-	-
Alex Caraco	-	-	-	-	-	-	-

*rights shown on a post consolidation basis

Share-based payments	Granted and Vested in 2018	Value at grant date	Value expensed in 2018	Proportion of remuneration
	No	$	$	%
Directors				
Bill Nikolouzakis	-	-	-	-
Calvin Ng	-	-	-	-
Stephen Quantril	-	-	-	-
Warren McCarthy	-	-	-	-
Alex Caraco	-	-	-	-

Loans to directors and other members of key management personnel

There were no loans to directors or other members of key management personnel during or since the end of the financial year, apart from those disclosed at Note 24 Related Party Transactions.

This concludes the remuneration report which has been audited.

Stantons International continues in office in accordance with section 327 of the Corporations Act 2001.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2019 has been received and can be found on page 67 of the financial report.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Director: ....

Dated this 8th November 2019

Corporate Governance

CORPORATE GOVERNANCE

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, iBuyNew Group Limited and its Controlled Entities ('the Group') have adopted a corporate governance framework and practices to ensure they meet the interests of shareholders.

The Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations – 3rd edition ('the ASX Principles') are applicable for financial years commencing on or after 1 July 2014, consequently for the Group's 30 June 2019 year end. As a result, the Group has chosen to publish its Corporate Governance Statement on its website rather than in this Annual Report.

The Corporate Governance Statement and governance policies and practices can be found in the corporate governance section of the Company's website at http://www.ibuynewgroup.com.au.

The Group's Corporate Governance Statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, were in place for the full reporting period.

The Group's corporate Governance Statement reflects the corporate governance practices in place during the financial year ended 30 June 2019. The 2019 Corporate Governance Statement was approved by the board on 8th November 2019.

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2019

	Notes	Consolidated 2019 $	Consolidated 2018 $
Revenue	3	2,590,135	5,388,158
Other revenue	3	120,000	90,048
		2,710,135	**5,478,206**
Less Expenditure			
Administration expense		(1,113,572)	(1,642,565)
Bad debts expense		(610,295)	(53,893)
Depreciation and amortisation expense		(263,163)	(63,667)
Direct operating expense		(1,462,610)	(2,407,159)
Directors and consultant expense		(539,288)	(421,453)
Employee benefits expense		(1,602,459)	(1,586,195)
Impairment expense- Goodwill		(1,718,226)	(450,000)
Impairment Expense- Other		(56,092)	-
Occupancy expenses		(232,414)	(302,160)
Share-based compensation		(35,000)	(5,000)
Revaluation of the convertible note		-	(83,943)
Unrealised Loss on Investment		(169,278)	-
Loss on disposal of fixed assets and rent roll		(25,913)	-
Operating Loss before finance costs		**(5,118,174)**	**(1,537,829)**
Financial income		2,882	12,644
Financial expenses		(272,077)	(217,563)
Net financing costs		**(269,196)**	**(204,919)**
Loss before income tax		**(5,387,370)**	**(1,742,748)**
Income tax expense	6	-	-
Loss for the year after income tax		**(5,387,370)**	**(1,742,748)**
Other comprehensive income, net of income tax			
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Loss on revaluation of financial assets		-	(59,378)
Loss of revaluation of financials assets transferred to profit and loss		155,231	-
Exchange differences on translation of foreign exchange		-	-
Total comprehensive loss for the year		**(5,232,139)**	**(1,802,126)**

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2019

	Notes	Consolidated	
		2019	**2018**
Loss for the year attributable to:		**$**	**$**
Owners of iBuyNew Group Limited		(5,387,370)	(1,742,748)
Non-controlling interest		-	-
		(5,387,370)	**(1,742,748)**
Total comprehensive loss for the year attributable to:			
Owners of iBuyNew Group Limited		(5,232,139)	(1,802,126)
Non-controlling interest		-	-
		(5,232,139)	**(1,802,126)**
Loss per share for loss attributable to the owners of iBuyNew Group Limited			
Basic loss per share (cents)	5	(24.95)	(9.59)
Diluted loss per share (cents)	5	(24.95)	(9.59)

IBUYNEW GROUP LIMITED

ABN 20 108 958 274

Consolidated Statement of Financial Position
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	277,598	1,176,923
Trade and other receivables	10	122,431	631,286
Other assets	12	2,194,527	406,240
TOTAL CURRENT ASSETS		**2,594,556**	**2,214,449**
NON-CURRENT ASSETS			
Plant and equipment	13	24,112	46,959
Other assets	12	359,749	452,116
Financial assets	11	31,925	45,970
Intangible assets	14	-	1,718,226
TOTAL NON-CURRENT ASSETS		415,786	2,263,271
TOTAL ASSETS		**3,010,342**	**4,477,720**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	1,870,205	1,354,316
Loans and borrowings	17	1,885,000	499,040
Income tax payable		-	-
Other liabilities	18	1,122,532	17,536
Deferred revenue	16	-	19,550
Employee provisions	19	55,683	77,628
TOTAL CURRENT LIABILITIES		**4,933,420**	**1,968,070**
NON-CURRENT LIABILITIES			
Other liabilities	18	98,739	45,653
Loans and borrowings	17	-	1,092,710
TOTAL NON-CURRENT LIABILITIES		98,739	1,138,363
TOTAL LIABILITIES		**5,032,159**	**3,106,433**
NET (LIABILITIES)/ ASSETS		**(2,021,817)**	**1,371,287**
EQUITY			
Issued capital	20	53,380,294	53,292,740
Reserves	21	180,453	(9,778)
Accumulated losses		(55,582,564)	(51,911,675)
TOTAL (DEFICIT)/ EQUITY		**(2,021,817)**	**1,371,287**

Consolidated Statement of Change in Equity
For the year ended 30 June 2019

	Issued Capital	Revaluation Reserve	Share-Based Payment Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance as at 1 July 2018	53,292,740	(169,277)	159,499	(51,911,675)	1,371,287
Change in accounting policy (Note 1 (v))				1,716,481	1,716,481
Restated total equity at the beginning of the financial year	**53,292,740**	**(169,277)**	**159,499**	**(50,195,194)**	**3,087,768**
Loss for the year after income tax	-	-	-	(5,387,370)	(5,387,370)
Other comprehensive income	-	155,231	-	-	155,231
Total comprehensive Loss for the year, net of tax	**-**	**155,231**	**-**	**(5,387,370)**	**(5,232,139)**
Transactions with equity holders					
Share based payments	-	-	35,000	-	35,000
Shares issued during the year - net of transaction costs	87,554	-	-	-	87,554
Balance as at 30 June 2019	**53,380,294**	**(14,046)**	**194,499**	**(55,582,564)**	**(2,021,817)**

	Issued Capital	Revaluation Reserve	Share-Based Payment Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance as at 1 July 2017	51,569,948	(109,899)	141,700	(50,168,927)	1,432,822
Loss for the year after income tax	-	-	-	(1,742,748)	(1,742,748)
Other comprehensive income/(loss)	-	(59,378)	-	-	(59,378)
Total comprehensive loss for the year, net of tax	**-**	**(59,378)**	**-**	**(1,742,748)**	**(1,802,126)**
Transactions with equity holders					
Share based payments	-	-	17,799	-	17,799
Shares issued during the year - net of transaction costs	1,722,792	-	-	-	1,722,792
Balance as at 30 June 2018	**53,292,740**	**(169,277)**	**159,499**	**(51,911,675)**	**1,371,287**

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		3,820,286	6,754,296
Payments to suppliers and employees		(4,702,832)	(7,260,363)
Interest received		2,478	12,644
Finance costs		(277,984)	(175,853)
Income tax		-	(11,752)
Net cash (used in) operating activities	22	(1,158,052)	(681,028)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net security deposits received / (paid)		-	45,435
Investment in subsidiary		-	(87,500)
Net cash inflow / (outflow) from restricted cash		-	(363,523)
Purchase of investments		-	(25,539)
Purchase of property, plant and equipment		(7,273)	(31,427)
Proceeds from disposal of other non-current assets		115,000	-
Net cash provided by/ (used in) investing activities		107,727	(462,554)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		-	1,210,000
Transaction costs relating to issue of shares		(4,000)	(94,410)
Proceeds from Loans and borrowings	17	1,350,000	-
Transaction costs relating to issue of loans and borrowings		(95,000)	-
Repayment of Loans and borrowings	17	(1,100,000)	(250,000)
Net cash provided by financing activities		151,000	865,590
Net (decrease) in cash and cash equivalents held		(899,325)	(277,992)
Cash and cash equivalents at beginning of financial year		1,176,923	1,454,915
Cash and cash equivalents at end of financial year	9	**277,598**	**1,176,923**

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

iBuyNew Group Limited is a public company, listed on the Australian Securities Exchange, limited by shares and incorporated and domiciled in Australia.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001, as appropriate for profit-oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

The financial statements cover iBuyNew Group Limited as a Group, consisting of iBuyNew Group Limited and the entities it controlled at the end of, or during the year. The financial statements were authorised for use by the directors on 8th November 2019.

Basis of Preparation

Historical Cost Convention

The financial statements have been prepared on an accruals basis and are based on historical costs, except for certain non-current assets and financial instruments that are measured at re-valued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The area's involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1(w).

Parent Entity Information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Group only. Supplementary information about the parent entity is included in Note 2.

New or Amended Accounting Standards and Interpretations Adopted

The consolidated entity has adopted all of the new or revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current accounting period. **Refer to Note 1(v).**

New or Amended Accounting Standards for future periods

AASB 16 Leases

As at 30 June 2019, the Group had no outstanding leases and the directors believe that the new standard will have no impact.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

(a) Going concern

The Directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business unless the Group's main undertaking is disposed of following to the shareholder's approval, as referred to in the Group's announcement to the Australian Securities Exchange dated 10 October 2019.

The Group incurred a net loss of ($5,387,370) and experienced total cash outflows from operating activities of $1,158,052 for the year ended 30 June 2019 and at that date, had current assets of ($2,594,556) (2018: $2,214,449) and a net working capital deficiency of $2,338,864

Management plans to raise funds from existing or new shareholders in the form of additional capital raisings or debt, and continually maintain sufficient cash and realisable assets to cover all anticipated entity operating costs and liabilities in the normal course of business, for a period of 12 months or more.

The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities under the proposed strategic restructure model as announced to the market on 10 October 2019. Under the proposed disposal the Group's main undertaking which is subject to various conditions precedent and subsequent to the transaction completing, regulatory approval and shareholder approval, if successful, the Group will continue to operate its settlements book based on historical sales generated. The Group continues to operate on a going concern basis in anticipation to capture the realisation of assets and settlement of liabilities in the ordinary course of business.

If for any reason, the Group is unable to continue as a going concern, then this could have an impact on the Group's ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

On 15 October 2019, the Group raised $100,000 via a placement of new ordinary fully paid shares at an issue price of $0.020 per share which is equivalent to 5 million new shares. It was agreed that the monies received by the issuer will be treated as unsecured debt with those monies to be used as subscription proceeds only after a future conditional placement is approved by shareholders at the Group's next general meeting. The placement shares included 1 attaching unlisted option for every 1 Share issued with each option having an exercise price of $0.05 with an expiry two weeks after the issue of the Group's FY25 full-year results.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of iBuyNew Group Limited ("the Company") as at 30 June 2019 and the results of all subsidiaries for the year then ended. iBuyNew Group Limited and its subsidiaries together are referred to in these financial statements as the Group.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. 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.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(c) Segment reporting

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

(e) Income tax

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. 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.

Current tax assets and liabilities are offset only 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; and

b. they relate to the same taxation authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the consolidated statement of financial position.

(g) Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The Group writes off fully any amounts that are more than 90 days past due

Revenue

Revenue is recognised in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the provider of the goods or services expects to be entitled. This involves following a five-step model of revenue recognition:

- Identifying the contract with a customer
- Identifying performance obligations under the contract
- Determining the transaction price
- Allocating the transaction price to performance obligations under the contract
- Recognising revenue when the Group satisfies its performance obligations

Revenue arises from the sale of real estate services.

Property transaction revenue

Property commission fees are recognised when the agreement to sell the property ,or any part of it, becomes unconditional and binding on the purchaser. Generally 50% of the commissions are payable on the contracts becoming unconditional and 50% on settlement of the contract. Based on historic data, management estimate all unconditional contracts to have a high probability of settlement, thus recognise 100% of the commissions once the contracts are unconditional based on no further services needing to be performed.

(h) Plant and equipment

Plant and equipment is measured at historical cost less accumulated depreciation and any accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of asset are:

Class of asset	Estimated Useful Life
Furniture and fittings	2 – 13 years
Office equipment	2 – 5 years
Life of lease	3 – 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing disposal proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(i) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed when incurred.

Amortisation is recognised in the profit and loss on a straight-line basis over the estimated useful lives of the intangible assets.

Goodwill and goodwill on consolidation are initially recorded at the amount by which the acquisition cost for a business combination exceeds the fair value attributed to the interest in the net fair value of net identifiable assets at the acquisition date. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but is impairment tested annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(j) Impairment of assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a re-valued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a re-valued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The Group undertakes a review and assesses potential impairment on a regular basis for all its intangible assets.

(k) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognised for any subsequent increase in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Due to their short-term nature, they are measured at amortised cost and are not discounted.

(m) Provisions

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

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees up to the end of the reporting period. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

<u>Short term employee benefits</u>

Liability for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

<u>Other long-term employee benefits</u>

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

Retirement benefit obligations

Contributions for retirement benefit obligations are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available. Contributions are paid into the fund nominated by the employee.

(o) Share-based payments

The fair value of options/performance rights granted is recognised as a benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the directors and executives become unconditionally entitled to the options/performance rights.

The fair value at grant date of options is determined using either the binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The benefit expense recognised each period takes into account the most recent estimate. The fair value of performance rights is based on the fair value of share price at the date of issue.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, and are credited to share capital.

(p) Equity-settled compensation

The Group operates an employee share ownership plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using either a Binominal pricing or Black-Scholes option pricing model.

The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, and are credited to share capital.

(q) Functional and presentation currency

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(r) Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers

(s) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables and settlement books that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables and settlement books , which is presented within other expenses.

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows

- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Any gains or losses recognised in FVOCI will be reclassified to profit or loss upon derecognition of the asset.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 .

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

(t) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

(u) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed. Refer to Note 1(v) for details.

(v) New accounting standards

Australian Accounting Standards and Interpretations that have recently been issued or amended have been adopted by the Group for the annual reporting period ended 30 June 2019. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets.

A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch).

New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures.

The Group has adopted this standard from 1 July 2018 but it resulted in no material change to the financial statements.

AASB 15 Revenue from Contracts with Customers

Under the revised standard AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard defines a customer as a ‘party that has contracted with an entity to obtain goods or services that are an output of the entity’s ordinary activities in exchange for consideration’.

Management has undertaken an exercise to assess the contractual arrangements in relation to the sale of property across the Group and performed an assessment of the impact on the consolidated financial statements of AASB 15 resulting in the recognition of 100% of revenue at the time of unconditional contract. Previously, revenue was recognised in two stages, being 50% at unconditional contract and 50% at settlement of the sale of property. The Group has assessed credit risk on the settlement of contracts and has made a provision as required. The assessment is based on feedback from Developers in terms of construction progress and the provision takes into account both historical data and management’s future expectations.

The Group has adopted AASB 15 from 1 July 2018, which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in AASB 15, the Group adopted the modified retrospective method of implementation and comparative figures were not restated.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

Impact of AASB 15 on the financial statements

The following table shows the adjustments recognised in the opening balance sheet on 1 July 2018:

Balance Sheet (Extract-Consolidated)	30-Jun-18	AASB 15	1 July 2018 Restated
	$	$	$
Current Assets			
Other Current Assets	406,240	1,671,956	2,078,196
Non-Current Assets			
Other non-Current Assets	452,116	1,659,669	2,111,785
Impact of changes on total assets	**858,356**	**3,331,625**	**4,189,981**
Current Liabilities			
Other liabilities	17,536	1,193,411	1,210,947
Non-Current Liabilities			
Other liabilities	45,653	421,733	467,386
Impact of changes on total liabilities	**63,189**	**1,615,144**	**1,678,333**
Impact of changes on net assets	**795,167**	**1,716,481**	**2,853,861**
Accumulated Losses	(51,911,675)	1,716,481	(50,195,194)
Impact of changes on total equity		**1,716,481**	

(w) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(w) Critical accounting estimates and judgements (continued)

Provision for impairment of receivables and settlement book assets

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position. Refer to Notes 10 and 12.

Estimation of useful lives of assets

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

Impairment of non-financial assets

The Group assesses impairment of non-financial assets each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Impairment of Goodwill

The Group assesses impairment of goodwill each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Interest bearing liabilities

All loans and borrowings, including convertible notes, are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The component of the convertible notes that exhibit characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

Transaction costs are apportioned between the liability and equity components of the convertible notes based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

On issuance of the convertible notes the fair value of the liability component is determined using the market rate for an equivalent market instrument and this amount is carried as a long-term liability using the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost.

Borrowings are classified as current liabilities unless the Group has the unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorizes fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorized into as follows:

- Level 1 - Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 2 - Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 - Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximize, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorization within the fair value hierarchy only in the following circumstances:

i. if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
ii. if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorization occurs, the Group recognizes transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

2. PARENT ENTITY INFORMATION

The following information has been extracted from the books and records of the parent, iBuyNew Group Limited, and has been prepared on the same basis as the consolidated financial statements, except as disclosed below. Investments in subsidiaries and intercompany loans are accounted for at cost (less any impairments) in the financial statements of the parent entity.

	2019	2018
Statement of Financial Position	**$**	**$**
CURRENT ASSETS		
Cash and cash equivalents	8,720	784,834
Other current assets	46,131	73,860
TOTAL CURRENT ASSETS	54,851	858,694
NON-CURRENT ASSETS		
Intangible assets		
Financial assets	31,924	45,970
Property, plant and equipment	1,213	1,956
Investment in subsidiaries	-	1,718,226
TOTAL NON-CURRENT ASSETS	33,137	1,766,152
TOTAL ASSETS	87,988	2,624,846
CURRENT LIABILITIES		
Trade and other payables	282,698	206,357
Other liabilities	220,812	-
Loans and borrowings	1,885,000	499,040
TOTAL CURRENT LIABILITIES	2,388,510	705,397
NON-CURRENT LIABILITIES		
Loans and borrowings	-	1,092,710
TOTAL NON-CURRENT LIABILITIES	-	1,092,710
TOTAL LIABILITIES	2,388,510	1,798,107
NET LIABILITIES/ASSETS	**(2,300,522)**	**826,739**
EQUITY		
Issued capital	53,380,294	53,292,740
Reserves	180,452	(9,778)
Accumulated losses	(55,861,268)	(52,456,223)
TOTAL EQUITY	**(2,300,522)**	**826,739**
Statement of Profit or Loss and Other Comprehensive Income		
Loss of the parent entity	(3,426,704)	(1,172,693)
Total comprehensive loss for the year	**(3,426,704)**	**(1,172,693)**

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

2. PARENT ENTITY INFORMATION (CONTINUED)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019 and 30 June 2018.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2019 and 30 June 2018.

3. REVENUE FROM CONTINUING OPERATIONS

	Consolidated 2019 $	Consolidated 2018 $
Revenue:		
- Commission – IBN e-commerce sales	1,573,697	3,175,554
- Commission – Nyko advisory services	1,016,438	2,212,604
Other revenue:		
- other revenue	120,000	90,048
Total Revenue	**2,710,135**	**5,478,206**

4. LOSS FOR THE YEAR

Loss before income tax includes the following specific expenses:

	Consolidated 2019 $	Consolidated 2018 $
Direct operating expense	(1,462,610)	(2,407,159)
Finance costs	(441,355)	(217,563)
Bad debts expense	(610,295)	(53,893)
Share-based compensation	(35,000)	-
Depreciation and amortisation expense	(263,163)	(63,667)
Loss on disposal of fixed assets	(25,912)	-
Revaluation of the convertible note	-	(83,943)
Impairment expense	(1,774,318)	(450,000)
	(4,612,653)	**(3,276,225)**

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

5. LOSS PER SHARE

	Consolidated	Consolidated
	2019	2018 (Restated)*
	$	$
Basic and diluted loss per share (in cents)	(24.95)	(9.59)
Reconciliation of loss to profit or loss from continuing operations		
Loss for the year	(5,387,370)	(1,742,748)
Adjustments:		
Loss used in calculating basic and diluted loss per share	(5,387,370)	(1,742,748)
	No.	**No.**
Weighted average number of ordinary shares used in calculating basic and dilutive earnings per share	21,590,332	18,167,781

*Restate to reflect changes in share consolidation according to AASB 133.

<u>Performance Rights and Options</u>

Shareholders approved the issue of 600,000 performance rights (post consolidation) to Key Management Personal held on 09 November 2018. No other options were issued to KMP or Directors during the 2019 financial year.

On 4 April 2018, 605,000 unlisted options were issued as free attaching options to the participants of the capital raise that successfully raised $1,215,000. The options are exercisable at $2 per share and expire two weeks after the Group releases its FY20 full year financial results.

For the year ended 30 June 2019, the performance rights are considered anti-dilutive, and consequently diluted earnings per share is the same as basic earnings per share. The performance rights have not been included in the determination of basic earnings per share.

Details relating to performance rights are set out in Note 29.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

6. INCOME TAX

	Consolidated 2019 $	Consolidated 2018 $
(a) **The major components of income tax expense comprise:**		
Income tax expense	-	-

(b) **Numerical reconciliation of income tax expense to accounting loss**:		
Loss for year before income tax expense	(5,387,370)	(1,742,748)
Prima facie tax benefit on loss from ordinary activities before income tax at 27.50% (2018: 27.50%)	(1,481,527)	(479,256)
Add / (less) tax effect of:		
- Under / overs of prior year	(13,617)	
- Non-assessable income	206,699	(20,162)
- Non-deductible expenses	554,324	12,313
- Tax Effect of Current Year Revenue Losses for which no deferred tax asset has been recognised	734,121	487,105
Income tax expense	-	-

(c) **Recognised temporary differences in deferred tax assets**	**2019 $**	**2018 $**
- Provisions	-	-
- Accrued expense	-	-
- Depreciation expense	-	-
- Deferred tax assets	-	-

This income tax benefit arising from tax losses will only be realised if the Group derives future assessable income of a nature and of an amount sufficient to enable the Group to benefit from the deductions for the losses to be realised, the Group continues to comply with the conditions for deductibility imposed by tax legislation and no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

(d) **Unrecognised Temporary differences deferred tax assets/ (liabilities)**

	2019 $	**2018 $**
- Provisions	150,418	26,119
-Section 40-880 deduction	79,265	86,946
-Depreciation	-	(1,926)
-Impairment	-	(301,800)
-Revenue Losses carried forward	2,453,488	1,758,598
-Capital losses carried forward	556,311	556,311
-Capitalised investment costs	-	1,886,268
-Accrued Income	(18,845)	(33,383)
-Accrued Expenses	44,380	51,317
	3,265,017	**4,028,450**

7. INTERESTS OF KEY MANAGEMENT PERSONNEL ("KMP")

(a) Directors and key management personnel

The following persons were Directors or Key Management Personnel of iBuyNew Group Limited during the financial year:

- Calvin Ng
- Stephen Quantrill
- Warren McCarthy
- Alex Caraco
- Bill Nikolouzakis

(b) Directors and key management personnel compensation

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's Key Management Personnel for the year ended 30 June 2019.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Consolidated 2019 $	Consolidated 2018 $
Short-term employment benefits	407,086	494,143
Non-monetary benefits	14,720	-
Post-employment benefits	28,088	40,217
Share-based payments	27,000	-
	476,894	**534,360**

8. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by Stanton International, the auditor of the parent entity, its related practices and unrelated firms:

	Consolidated 2019 $	Consolidated 2018 $
Audit or review of the Group	60,132	51,000
Other services	-	-
	60,132	**51,000**

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

9. CASH AND CASH EQUIVALENTS

	Consolidated 2019 $	Consolidated 2018 $
Cash at bank and in hand	120,930	1,021,801
Term deposit (1)	40,000	40,000
Restricted cash (2)	116,668	115,122
	277,598	**1,176,923**

(1) Term deposit help as guarantee for company credit cards
(2) Restricted cash relates to clients' funds held on trust by the Group.

Reconciliation of cash

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

Cash and cash equivalents	**277,598**	**1,176,923**

10. TRADE AND OTHER RECEIVABLES

	Consolidated 2019 $	Consolidated 2018 $
Current		
Trade receivables	253,370	841,795
Less: Provision for doubtful debts	(140,348)	(331,903)
Other receivables	9,409	121,394
	122,431	631,286

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

Impairment of receivables

The Group has recognised a loss of $610,295 (2018: $53,893) in profit or loss in respect of impairment of receivables and settlement books for the year ended 30 June 2019. (refer to note 12)

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

	Consolidated 2019 $	Consolidated 2018 $
Opening balance	(331,903)	(278,000)
Additional provisions recognised	(140,348)	(53,893)
Receivables written off during the year as uncollectable	331,903	-
Closing balance	**(140,348)**	**(331,903)**

Past due but not impaired

Customers with balances past due but without provision for impairment of receivables amount to Nil as at 30 June 2019 (30 June 2018: $163,740).

The Group did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

Effective interest rates and credit risk

The Group has no significant concentration of credit risk with respect to any single counterparty or Group of counterparties other than those receivables specifically provided for and mentioned within Note 25(a). The class of assets described as 'Other assets and trade and other receivables" are considered to be the main source of credit risk related to the Group. Further, Other assets relate to assets/commissions receivables based on timelines which are out of the Group's control. Delays from builders/developers and purchasers unable to complete settlements are the main source of risk towards the recoverability of other assets.

There is no interest rate risk for the balances of trade and other receivables. There is no material credit risk associated with other receivables.

11. FINANCIAL ASSETS

	Consolidated 2019 $	Consolidated 2018 $
Investment in Australian listed equity securities	31,925	45,970

The value of the investments at the date of this report is $28,731.

12. OTHER ASSETS

	Consolidated 2019 $	Consolidated 2018 $
Current		
Prepayments	52,015	123,200
Lease incentives	-	17,536
Asset acquired from Indo-Pacific Property	265,920	265,504
Settlement book assets – Gross	2,129,547	-
Settlement book assets – Provision	(252,955)	-
	2,194,527	**406,240**

	Consolidated 2019 $	Consolidated 2018 $
Non-Current		
Bank guarantee and rental bonds	16,940	94,424
Lease incentives	-	45,652
Asset acquired from Indo-Pacific Property	66,480	312,040
Settlement book assets – Gross	307,029	-
Settlement book assets - Provision	(30,700)	-
	359,749	**452,116**

Movements in the provision for impairment of current and non-current settlement books are as follows:

	Consolidated 2019 $	Consolidated 2018 $
Opening balance	-	-
Additional provisions recognised	(283,655)	-
Closing balance	**(283,655)**	**-**

13. PLANT AND EQUIPMENT

	Consolidated 2019 $	Consolidated 2018 $
Furniture and fixtures		
At cost	11,530	17,183
Accumulated depreciation	(7,855)	(9,666)
	3,675	7,517
Office equipment at cost		
At cost	62,551	71,732
Accumulated depreciation	(48,814)	(36,785)
	13,737	34,947
Leasehold assets		
At cost	12,330	12,330
Accumulated depreciation	(8,307)	(7,835)
	4,023	4,495
Computers/Software		
At cost	4,662	-
Accumulated depreciation	(1,985)	-
	2,677	-
Website		
At cost	8,311	-
Accumulated depreciation	(8,311)	-
	-	-
Total plant and equipment	**24,112**	**46,959**

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

13. PLANT AND EQUIPMENT (CONTINUED)

Movements in carrying amounts of plant and equipment

	Consolidated $
Balance at 1 July 2018	46,959
Additions	3,170
Depreciation	(26,017)
Disposals	-
Balance at 30 June 2019	24,112
Balance at 1 July 2017	31,743
Additions	31,427
Depreciation	(16,211)
Disposals	-
Balance at 30 June 2018	46,959

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

14. INTANGIBLE ASSETS

	Consolidated 2019 $	Consolidated 2018 $
Goodwill		
At cost	2,768,226	2,768,226
Accumulated Impairment expense	(2,768,226)	(1,050,000)
	-	**1,718,226**

Movements in carrying amounts of Goodwill

	Consolidated $
Balance at 1 July 2018	**1,718,226**
Additions	-
Impairment expense	(1,718,226)
Balance at 30 June 2019	**-**
Balance at 1 July 2017	**2,168,226**
Additions	-
Disposal	(450,000)
Balance at 30 June 2018	**1,718,226**

Impairment testing – Goodwill

The key assumptions used for testing impairment of the goodwill included management's assessment of future trends and have been based on historical data from both external and internal sources and cashflow projections.

Specific factors taken into consideration included the impact of new APRA Banking regulations over the past 12 months restricting lending conditions and changed LVR's for loans to investors and the changing nature of the FIRB regulations.

The Board and management have taken a conservative and prudent position, recognising an impairment loss of $1,718,226.

15. TRADE AND OTHER PAYABLES

	Consolidated 2019 $	Consolidated 2018 $
Trade payables	1,459,169	854,796
Other payables	411,036	499,520
	1,870,205	**1,354,316**

There are $1,204,569 trade and other payables past due.

16. DEFERRED REVENUE	**Consolidated 2019 $**	**Consolidated 2018 $**
Current	-	19,550

17. LOANS AND BORROWINGS

	Consolidated 2019 $	**Consolidated 2018 $**
Current	1,885,000	499,040
Non-current	-	1,092,710
	1,885,000	1,591,750

Movements in the Loans and Borrowings during the year:

	Consolidated 2019 $
Opening balance	1,591,750
Repayment of Loans & Borrowings	(1,100,000)
Loan Advanced during the period	1,350,000
Other Movements	43,250
Closing balance	**1,885,000**

On 15 January 2019, the Group announced that it had entered into a $2,450,000 senior secured loan facility ("Secured Facility"). The Secured Facility is a first ranking secured loan facility against the Group, it's settlement book and rent rolls for a term of 12 months. The Secured Facility attracts an interest rate of 18 percent per annum accruing on a daily basis with a minimum interest period of 6 months. The loan is repayable on 4th January 2020.

The Secured Facility is available to be drawn over two tranches:

- Tranche 1: Drawn $1,950,000 in January 2019 made up of a combination of new lenders and $600,000 of the Group's convertible bond holders rolling into the Secured Facility; and

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

- Tranche 2: Undrawn $500,000 commitment on arms' length terms with entities associated with Non-executive Director Stephen Quantrill, namely McRae Investments Pty Ltd. Tranche 2 of the facility will be drawn down at the election of IBN against settlement income payable to McRae in relation to past Indo Pacific property sales.

The proceeds from the loan facility were used to repay all debt obligations to Mark Mendel and nominees; the vendors of Find Solutions Australia, repayment of $500,000 of existing convertible bonds and working capital to complete the strategic initiatives announced on the 8 October 2018.

Mark Mendel and nominees were repaid $250,000 on the 16 January 2019, $250,000 convertible loan was repaid on 30th September 2018 and $500,000 convertible bonds were repaid on 24 January 2019.

On 16 April 2019, the Group entered into an arrangement to dispose of its Western Australia based rent roll asset.

As consideration for the sale $65,000 plus GST was received for:

100% of properties under management (52 managements) in Western Australia held under the subsidiary iBuyNew Australia Pty Ltd. These properties were acquired as part of the Indo-Pacific property acquisition. The proceeds of $65,000 were used to repay a portion of secured loan facility.

As at the date of this report, the covenants under the Secured Facility have potentially been breached by the Group, however the directors have been in discussions with the lender to waive this breach.

18. OTHER LIABILITIES

	Consolidated 2019 $	Consolidated 2018 $
Settlement book - commissions - current	1,122,532	-
Settlement book - commissions - Non-current	98,739	-
Other- Current	-	17,536
Other – Non-current	-	45,653
	1,221,271	**63,189**

19. EMPLOYEE PROVISIONS

	Consolidated 2019 $	Consolidated 2018 $
Employee provisions - current	55,683	77,628

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement.

20. ISSUED CAPITAL

	2019 Shares	2018 Shares	2019 $	2018 $
Ordinary shares – fully paid	21,792,888	2,152,404,213	53,380,294	53,292,740

(a) Ordinary shares

	2019 Shares	2018 Shares	2019 $	2018 $
At the beginning of the year	2,152,404,213	1,694,043,103	53,292,740	51,569,948
Initial share consideration for the acquisition of a rent roll consisting 54 properties in New South Wales – 26,884,539 shares issued at $0.0034 per share	26,884,539		91,407	
Consolidation of share capital 100:1	(2,157,495,864)		-	
Initial share consideration for the acquisition of the assets of Indo-Pacific Group Pty Ltd *	-	166,666,667	-	500,000
Share placement	-	242,000,000	-	1,210,000
Shares issued in consideration for capital advisory services	-	3,166,666	-	15,833
Deferred share consideration for the acquisition of the assets of Indo-Pacific Group Pty Ltd *	-	41,666,666	-	125,000
Deferred share consideration for Nyko Property Pty Ltd and Nyko Property Australia Pty Ltd	-	4,861,111	-	-
	-		(3,853)	
Shares issue costs, net of tax		-		(128,041)
At the end of the year	**21,792,888**	**2,152,404,213**	**53,380,294**	**53,292,740**

On 6 February 2019, the Company announced that shareholders approved the 100:1 Consolidation of Capital at the Extraordinary General Meeting held on 6 February 2019. All shares displayed are on a consolidated basis as at 30 June 2019.

* Acquisition of the assets of Indo-Pacific Group Pty Ltd

On 22 August 2017, IBN announced the acquisition of project marketing assets of Indo Pacific Property for an upfront consideration of 166,666,667 shares as well as deferred consideration of 41,666,666 shares, (issued at $0.003 cent per share) subject to a number of conditions precedent and shareholder approval. Total consideration of $625,000 was paid in ordinary shares.

Shareholder approval was obtained at the Annual General Meeting held on 21 November 2017 with the upfront consideration issued on 20 February 2018 and the deferred consideration issued 27 June 2018.

20. ISSUED CAPITAL (CONTINUED)

(b) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group looks to raise capital when an opportunity to invest in a business or company is seen as value adding relative to the current parent entitys share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

21. RESERVES

	Consolidated 2019 $	Consolidated 2018 $
Share based Payment Reserve		
Balance at the beginning of the year	159,499	140,200
Share based payment expense	35,000	19,299
Balance at the end of the year	194,499	159,499
Revaluation reserve		
Balance at the beginning of the year	(169,277)	(108,399)
Other movements	155,231	(60,878)
Balance at the end of the year	(14,046)	(169,277)
Total reserves	**180,453**	**(9,778)**

(a) Share based payment reserve

This reserve records the cumulative value of employee services received for the issue of options and performance rights. Refer to Note 29 for terms and conditions of performance rights and options.

(b) Revaluation reserve

The movement in the reserve is as a result of the recognition of the equity component of the convertible loan and asset revaluations.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

22. CASH FLOW INFORMATION

	Consolidated 2019 $	Consolidated 2018 $
Reconciliation of loss after income tax to net cash used in operating activities		
Loss after income tax for the year	(5,387,370)	(1,742,748)
Adjustments for:		
- depreciation and amortisation	263,163	63,667
- share based payments	35,000	-
- bad and doubtful debts	610,295	53,893
- other non-cash expenses	-	(25,539)
- gain on sale of subsidiary	-	(13,589)
- share of net loss from joint venture entity	-	83,943
- impairment expense	1,774,318	450,000
- loss on investment	169,278	(2,920)
- loss on disposal of fixed assets	25,912	-
Changes in operating assets and liabilities		
- (increase) / decrease in trade and other receivables	508,855	771,356
- decrease / (increase) in other assets	(1,788,287)	(30,263)
- increase / (decrease) in trade and other payables	515,889	(312,666)
- increase / (decrease) in other liabilities	2,092,951	-
- decrease in provisions	21,944	23,838
Net cash (used in) operating activities	(1,158,052)	(681,028)

There were the following non-cash items in investing or financing activities during the year:

During the year, the Group issued 26,884,539 shares to acquire NSW rent roll for $91,407.

23. EVENTS AFTER THE REPORTING PERIOD

On 5 September 2019, the Group announced that it would enter into a trading halt pending changes to the Company's board.

On 9 September 2019, the Group requested voluntary suspension be applied to its securities further to changes of the Company's board, company secretary and strategic review.

On 10 October 2019, the Group announced that CEO Bill Nikolouzakis appointed as Executive Director of iBuyNew Group and IBN proposed the disposal and sale of selected assets of iBuyNew and Nyko Property platforms for a cash consideration of $500,000. The sale excludes the Group's future receivables commission books from previous sales generated by the Group. The disposal of a main undertaking required shareholder approval and is subject to several conditions precedent and subsequent post completion.

Apart from the matters noted above, no other matters or circumstances have arisen since the end of the financial year. The Group is currently undergoing a significant restructure which has impacted the businesses operations, state of affairs and future financial results.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

On 15 October 2019, the Group raised $100,000 via a placement of new ordinary fully paid shares at an issue price of $0.020 per share. It was agreed that the monies received by the issuer will be treated as unsecured debt with those monies to be used as subscription proceeds only after a future conditional placement is approved by shareholders at the Company's next general meeting. The placement shares included 1 attaching unlisted option for every 1 Share issued with each option having an exercise price of $0.05 with an expiry two weeks after the issue of the Group's FY25 full-year results.

24. RELATED PARTY TRANSACTIONS

(a) The Group's main related parties are as follows:

Parent entities

iBuyNew Group Limited is the ultimate parent entity.

Subsidiaries

For details of disclosures relating to subsidiaries, refer to Note 26. Transactions and balances between subsidiaries and the parent have been eliminated on consolidation of the Group.

Key management personnel

For details of disclosures relating to key management personnel, refer to the remuneration report contained within the Director's report.

(b) Transactions with related parties

Aura Partners Pty Ltd, a company associated with Directors Calvin Ng invoiced the Group $56,318 (2018: $10,750) for accounting services for the year.

Aura Capital Pty Ltd, a company associated with Directors Calvin Ng invoiced the Group $30,000 for capital raising, corporate advisory services, rent and travel related costs. (2018: $52,506).

Aura Funds Management Pty Ltd, a company associated with Directors Calvin Ng invoiced the Group $73,500 for capital raising, and establishment fees. (2018: Nil).

All amounts are exclusive of GST unless otherwise stated.

(c) Outstanding Balances owed to related parties

The amount owing to related parties at the reporting date is $76,716 (2018: $262,377).

In aggregate $22,374 is owed to Director Calvin Ng, $21,842 for Warren McCarthy, $32,500 for Stephen Quantrill for consulting services and directorship fees.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

25. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to several financial risks as described below. The Group's overall risk management program seeks to minimise potential adverse effects on the financial performance of the Group. To date, the Group has not had the need to utilise derivative financial instruments such as foreign exchange contracts or interest rate swaps to manage any risk exposures identified.

The totals for each category of financial instruments, as detailed in the accounting policies to these financial statements, are as follows:

		Consolidated 2019 $	Consolidated 2018 $
Financial Assets			
Assets			
Cash and cash equivalents	9	277,598	1,176,923
Financial Assets	11	31,925	45,970
Trade and other receivables	10	122,431	631,286
Other assets	12	2,502,262	735,156
Total financial assets		**2,934,216**	**2,589,335**
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	15	1,870,205	1,354,316
Loans and borrowings	17	1,885,000	1,591,750
Other liabilities	18	1,221,271	-
Total financial liabilities		**4,976,475**	**2,946,066**

The fair value of financial assets and liabilities equate to the carrying value.

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

Valuation techniques for fair value measurements categorized within level 1 to level 3

(i) Fair value Tier 1-3 asset profile

$	Tier 1	Tier 2	Tier 3	Total
Assets	31,925	-	-	31,925

(a) Credit risk

Credit risk is managed on a Group basis. The Group has no significant concentration of credit risk.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the table above.

Trade and other receivables (refer Note 10) that are neither past due nor impaired are considered to be of high credit quality. Directors have reviewed other assets (note 12) for impairment at 30 June 2019 based on management's assessment for recoverability. The recoverability of the settlement book is ultimately dependent on the credit-worthiness of the individual buyers of the property transactions. The directors have reviewed the settlement books at 30 June 2019 and are satisfied they account for any credit risk.

Credit risk related to balances with banks and other financial institutions is managed by management in accordance with approved board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA.

(b) Liquidity risk

The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- managing credit risk related to financial assets; and
- only investing surplus cash with major financial institutions.

At the end of FY19 the Group had a net liability position as a result of losses and increasing its debt position through a secured loan facility. The Directors are continually managing the liquidity of the Group by reviewing the cashflows on a weekly basis.

Financial liabilities consist of three items, trade and other payables for which the contractual maturity dates are within 6 months of the reporting date, commissions payable and loans and borrowings.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

Contractual maturities of financial assets and liabilities are as follows:

		Fixed interest rate maturing		Non-interest bearing		
	Variable interest rate	Within 1 year	1 to 5 years	Within 1 year	1 to 5 years	Total
2019	$	$	$	$	$	$
Financial assets						
Cash and cash equivalents	-	-	-	277,598	-	**277,598**
Trade and other receivables	-	-	-	122,431	-	**122,431**
Financial and Other assets	-	-	-	2,142,513	391,674	**2,534,187**
	-	-	-	2,542,542	391,674	**2,934,216**
Financial liabilities						
Trade and other payables	-	-	-	1,870,205	-	1,870,205
Loan and Borrowings	-	1,885,000	-	-	-	1,885,000
	-	1,885,000	-	1,870,205	-	3,755,205
2018						
Financial assets						
Cash and cash equivalents	-	-	-	1,176,923	-	**1,176,923**
Trade and other receivables	-	-	-	631,286	-	**631,286**
Financial and Other assets	-	-	-	283,040	498,086	**781,126**
	-	-	-	2,091,249	498,086	**2,589,335**
Financial liabilities						
Trade and other payables	-	-	-	1,354,316	-	1,354,316
Loan and Borrowings	-	499,040	-	-	-	499,040
	-	499,040	-	1,354,316	-	**1,853,356**

Loans and borrowings at reporting date have contractual maturity dates as follows:

	Consolidated 2019 $	Consolidated 2018 $
Within one year	1,885,000	500,000
One to five years	-	1,100,000

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk

Foreign exchange risk

The Group is not exposed to any material foreign exchange risk.

Interest rate risk

The Group's main interest rate risk arises from deposits with banks and other financial institutions.

Deposits made at variable rates expose the Group to interest rate risk.

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at the end of the financial year. The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk. The Group is not exposed to any material interest rate risk as loans are fixed rate.

Price risk

The Group is not exposed to any material price risk.

26. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly owned subsidiaries in accordance with the accounting policy described in Note 1:

Name	Country of Incorporation	Percentage Owned (%) 2019	Percentage Owned (%) 2018
Subsidiaries of iBuyNew Group Limited:			
Find Solution Australia Pty Ltd	Australia	100	**100**
Find Investment Property Pty Ltd	Australia	100	**100**
iBuyNew Pty Ltd	Australia	100	**100**
iBuyNew Australia Pty Ltd	Australia	100	**100**
Nyko Property Pty Ltd	Australia	100	**100**
Nyko Property Australia Pty Ltd	Australia	100	**100**
IBN Projects Pty Ltd	Australia	100	**100**

27. BUSINESS COMBINATIONS

There were no business combinations during the year.

28. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group is subject to various legal proceedings by trade creditors which are currently under negotiations. The Group had no other contingent liabilities or contingent assets at 30 June 2019. (30 June 2018: Nil)

29. SHARE BASED PAYMENTS

	Consolidated 2019 $	Consolidated 2018 $
Share-based payment expense	**35,000**	**5,000**

On 6 April, 2018 the Group announced the issue of shares and unlisted options in relation to a capital raise. 3,166,166 ordinary shares were issued for Nil consideration to Redleaf Securities the lead manager of the placement that successfully raised $1.210m. At 30 June 2019, the Group had 607,500 options outstanding. 607,500 options at an exercise price of $2 per option expire 2 weeks after the Group releases its FY 2020 full year results.

On 24 August 2018, 600,000 performance rights were issued to Mr Bill Nikolouzakis as long term incentives as CEO subject to certain performance hurdles. On 30 June 2019 300,000 performance rights lapsed as vesting conditions were not met. 300,000 performance rights stand with vesting conditional to expire 30 June 2020.

An employee was granted 26,667,000 (pre-consolidation) performance rights, which lapsed during FY 2019. The value of the performance rights was $8,533.

30. COMMITMENTS

There are no lease commitments or any other commitments other than the Melbourne office lease at $5,933 per month which expires on the 15th of November 2019. The Group will not be continuing the lease and will end its lease at expiry.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2019

31. SEGMENT INFORMATION

	Corporate		Real Estate		Property Advisory		Consolidated	
	June 2019	June 2018	June 2019	June 2018	June 2019	June 2018	June 2019	June 2018
	$	$	$	$	$	$	$	$
Revenue								
Sales to external customers	-	-	1,573,697	3,175,554	1,136,438	2,212,604	2,710,135	5,388,158
Total	-	**-**	**1,573,697**	**3,175,554**	**1,136,438**	**2,212,604**	**2,710,135**	**5,388,158**
Interest received	2	-	2,880	12,644	-	-	2,882	12,644
Other Revenue	-	-	-	90,048	-	-	-	90,048
Total revenue	**2**	**-**	**1,576,577**	**3,278,246**	**1,136,438**	**2,212,604**	**2,713,017**	**5,490,850**
Gain/Loss on disposal of assets and rent roll	-		(25,912)	-	-	-	(25,912)	-
Expenses	(744,459)	(632,055)	(3,135,907)	(3,337,859)	(1,680,274)	(2,448,510)	(5,560,640)	(6,418,424)
Impairment	(1,774,318)	(450,000)	-	-	-	-	(1,774,318)	(450,000)
Loss on sale of Investment	(169,278)	-	-	-	-	-	(169,278)	-
Share based compensation	(35,000)	-	-	-	-	-	(35,000)	-
Depreciation and amortisation	(36,709)	(1,338)	(223,629)	(56,163)	(2,825)	(6,166)	(263,163)	(63,667)
Revaluation of convertible notes	-	(83,942)	-	-	-	-	-	(83,942)
Finance costs	(250,054)	(179,740)	(13,468)	(26,690)	(8,555)	(11,134)	(272,077)	(217,564)
Loss before income tax	**(3,009,815)**	**(1,347,075)**	**(1,822,339)**	**(142,466)**	**(555,216)**	**(253,206)**	**(5,387,370)**	**(1,742,747)**
Income tax (expense)							-	-
Loss after income tax							**(5,387,370)**	**(1,742,747)**
Assets								
Segment assets	87,989	3,131,498	2,281,839	1,035,775	640,514	310,447	3,010,342	4,477,720
Total assets	**87,989**	**3,131,498**	**2,281,839**	**1,035,775**	**640,514**	**310,447**	**3,010,342**	**4,477,720**
Liabilities								-
Segment liabilities	2,388,511	1,798,107	1,453,241	850,909	1,190,406	457,417	5,032,158	3,106,433
Total liabilities	**2,388,511**	**1,798,107**	**1,453,241**	**850,909**	**1,190,406**	**457,417**	**5,032,158**	**3,106,433**

Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 18 to 58, are in accordance with the Corporations Act 2001 and:

    i. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and

    ii. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Group;

2. in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

3. the directors have been given the declarations required by s 295A of the Corporations Act 2001 from the Chief Executive Officer.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 295 (5) of the Corporations Act 2001.

Director: .... Dated this 8th day of November 2019

Additional Information for Listed Entities

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 8 November 2019.

20 LARGEST SHAREHOLDERS

Shareholders	Balance	Percentage
MARSHE NOMINEES PTY LTD	3,193,175	14.65
MCRAE INVESTMENTS PTY LTD	2,083,334	9.56
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,162,401	5.33
MR MARK NICHOLAS MENDEL	1,030,892	4.73
MRS SARAH CAMERON	959,851	4.40
TW CONSULTING CO LTD	560,000	2.57
J H FUNKY INVESTMENTS PTY LTD	460,000	2.11
EYEON NO 2 PTY LTD	424,953	1.95
MR GREGORY MAURICE PINKUS & MRS LISA MARIE PINKUS	333,334	1.53
NYKO GROUP PTY LTD	324,075	1.49
PUMPKIN POINT PTY LTD	312,000	1.43
MR ABRAHAM GHAZAL	300,000	1.38
MR RAYMOND JOHN BERGMANN	290,000	1.33
DOMAIN PROPERTY MANAGEMENT PTY LTD	268,846	1.23
MR KAR WING NG & MS YOW TING LEE	253,000	1.16
GE EQUITY INVESTMENTS PTY LTD	250,000	1.15
HM FUND PTY LTD	242,500	1.11
IJ COM PTY LTD	237,742	1.09
GIOKIR PTY LTD	236,667	1.09
MR RODERICK STUART HOWE & MRS JULIA MARY HOWE	228,000	1.05
	13,150,770	60.34
Issued Share Capital	**21,792,888**	

SUBSTANTIAL HOLDERS

The following are recorded as substantial shareholders of iBuyNew Group Limited.

Shareholders	Balance	Percent
MR MARK MENDEL & MARSHE NOMINEES PTY LTD	4,224,067	19.67
MCRAE INVESTMENTS PTY LTD	2,083,334	9.70

HOLDING ANALYSIS

Holdings Ranges	Holders	Total units	%
1 – 1,000	1,379	198,337	0.91%
1,001 – 5,000	240	638,551	2.93%
5,001 – 10,000	81	651,973	2.99%
10,001 – 100,0000	152	5,264,388	24.16%
100,001 – 99,999,999	33	15,040,256	69.01%
Totals	1,885	21,793,505	100

Additional Information for Listed Entities

NUMBER OF HOLDERS AND VOTING RIGHTS IN EACH CLASS OF SECURITIES

Class of Security	No of Holders	Voting Rights
Ordinary Shares	1,870	Yes
Performance rights	2	No

Subject to the ASX Listing Rules, the Company's Constitution and any special rights or restrictions attached to a share, at a meeting of shareholders:

- On a show of hands, each shareholder present (in person, by proxy, attorney or representative) has one vote; and
- On a poll, each shareholder present (in person, by proxy, attorney or representative) has;
  - One vote for each fully paid share they hold; and
  - A fraction of a vote for each partly paid share they hold.

UNMARKETABLE PARCELS OF SHARES

The number of shareholders with less than a marketable parcel of shares is 1,752.

CLASSES OF UNQUOTED SECURITIES

Class of Security	No of Holders	Total Units
Performance **rights** expiring 30/09/2019	1	75,000
Performance rights expiring 31/12/2020	1	300,000

ESCROWED SECURITIES

The securities of the Company which are subject to voluntary escrow and their end date are set out below:
268,845 Ordinary Shares. Each share was as initial consideration in connection with the acquisition of rent roll of 54 properties in NSW. voluntary escrow and end date 27 September 2020.

GENERAL

There is no current on-market buy-back for the Company's securities.

The Company did not purchase securities on-market for the purposes of an employee incentive scheme in the reporting period.

Company Directory

Company Details

The registered office of the company is:
IBuyNew Group Limited
109/12 Cato Street, Hawthorn East,
Victoria 3123
Telephone: 1300 123 463

Board of Directors and Management

Non-Executive Director	Mr Stephen Quantrill
Chief Executive Officer	Mr Vasilios (Bill) Nikolouzakis

Auditors, Solicitors and Bankers

Auditors	Stanton International Level 44, Grosvenor Place Sydney, NSW 2000
Solicitors	Sunderaj & Ker Level 36, Australia Square 264 George Street Sydney, NSW 2000
Bankers	National Australia Bank Level 1, 105 Miller Street North Sydney, NSW 2060

Share Registry

Share Registry

Link Market Services Pty Ltd
Level 12, 680 George Street
Sydney, NSW, 2000
Telephone: +61 1300 554 474

Stock Exchange Listing

The Company's shares are listed and quoted on the Australian Securities Exchange Limited ("ASX").

Home Exchange: Sydney, NSW, Australia

ASX Code: IBN

Website

www.ibuynew.com.au

Stantons International Audit and Consulting Pty Ltd
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8 November 2019

Board of Directors
iBuyNew Group Limited
109/12 Cato Street
Hawthorn East
Victoria 3123

Dear Directors

RE: IBUYNEW GROUP LIMITED

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

As Audit Director for the audit of the financial statements of iBuyNew Group Limited for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

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

Samir Tirodkar
Director

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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**QUALIFIED INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
iBUYNEW GROUP LIMITED**

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of iBuyNew Group Limited, the Company and its subsidiaries ("the Consolidated entity"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001 except for the effects of the matter described in the Basis for Qualified Audit Opinion section of our report:

(i) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Qualified Audit Opinion

As described in note 1(v) of the financial report, the consolidated entity has adopted AASB 15 Revenue from Contracts with Customers for the first time in the current accounting period. However, due to limitations in the client reporting management system (CRM) of the consolidated entity relating to expected settlement book receivables data (and related commissions payable data), our testing found that the expected settlement dates to be inconsistent with actual invoicing by the consolidated entity. As a result of these errors we are unable to verify the accuracy of the client's settlement book and the adequacy of the approximate 12% bad debt provision booked by the consolidation entity. Consequently, we were unable to determine whether the adjustments that would be required to the settlement books (other assets in the financial report), the adjustments recognised in the opening consolidated statement of financial position on 1 July 2018 and related bad debt provisions and commissions payable are material to the financial report.

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

Material Uncertainty Regarding Going Concern

In addition to the qualified audit opinion expressed above, attention is drawn to the following matter:

As referred to in Note 1 (a) to the financial report, the financial report have been prepared on a going concern basis. As at 30 June 2019, the consolidated entity had a working capital deficiency of $2,338,864 and had incurred a loss after tax for the year of $5,387,370. The ability of the consolidated entity to continue as a going concern is subject to the successful recapitalisation of the consolidated entity. In the event that the Board is not successful in recapitalising the consolidated entity and in raising further funds, the consolidated entity may not be able to pay its debts as and when they become due, and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report.

Key Audit Matters

Apart from the matter included in our qualified audit opinion and the matter described in the Material Uncertainty Regarding Going Concern section, we have determined there are no other Key Audit Matters to be communicated in our report.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the consolidated entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the consolidated entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the consolidated entity audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 15 of the directors' report for the year ended 30 June 2019. In our opinion, the Remuneration Report of iBuyNew Group Limited for the year ended 30 June 2019 complies with section 300A of the Corporations Act 2001.

Responsibilities

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.

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

Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
Director

West Perth, Western Australia
8 November 2019