Primary Opinion Limited

ABN 69 092 817 171

Annual Report - 30 June 2015

Primary Opinion Limited
Corporate directory
30 June 2015

Directors	The Hon Jeffrey G Kennett AC Mr. Tom SP Kiing Mr. Martin Burke
Company secretaries	Ms Melanie Leydin Mr Justin Mouchacca
Registered office	Level 4, 100 Albert Road South Melbourne VIC 3205 Tel: +613 9692 7222 Fax: +613 9077 9233
Principal place of business	30 Alan Turing Road Surrey Research Park Guilford Surrey GU2 7AA United Kingdom
Share register	Computershare Investor Services Pty Limited GPO Box 2975 Melbourne VIC 3001
Auditor	Deloitte Touche Tohmatsu 550 Bourke Street Melbourne Victoria 3000
Stock exchange listing	Primary Opinion Limited shares are listed on the Australian Securities Exchange (ASX code: POP)
Website	www.primaryopinion.com

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30 June 2015

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Primary Opinion Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2015.

Directors
The following persons were directors of Primary Opinion Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

The Hon Jeffrey G Kennett AC (Non-executive Chairman)
Mr. Tom SP Kiing (Non-executive Director)
Mr. Martin Burke (Managing Director and Chief Executive Officer)
Mr. Harvey C Parker (Non-executive Chairman, resigned 26 November 2014)

Principal activities
- the shutdown of the legacy global chat business;
- the development and launch of the new Primary Opinion digital content marketing platform and services;
- the aggregation of legal content from intellectual property, employment and commercial law firms;
- the expansion of content distribution services from the intellectual property market into the adjacent legal areas of employment and commercial law;
- the completion of commercial agreements with national content distribution networks within the USA;
- the creation of strategic partnerships with international legal groups to deliver content distribution services to their members;
- the creation of the Business Builder suite of law firm analytics and business development services; and
- the marketing and selling of Business Builder and content marketing services to IP law firms globally.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $6,639,879 (30 June 2014: $2,343,895).

In the year ended 30 June 2015 Primary Opinion Ltd has achieved the majority of the key performance milestones that had been established as part of the 2015 plan. One of these milestones was the shutdown of the global chat arm of the business, which ceased to trade on 1st August 2014. Following on from this the main focus over the past year has been the completion, launch, expansion and monetization of the company's Primary Opinion digital platform.

There was a delay in the development of the platform which led to the beta version of the site being launched in September 2014 three months later than originally planned. The company followed an agile development plan launching the full site in December 2014 with the expansion into employment and commercial legal sectors being launched in April 2015.

The company also focused on the acquisition of content from legal professionals worldwide that is contributed to the platform, and now has in excess of 300 law firms and bloggers regularly contributing content to the primaryopinion.com site. During the same period the company undertook a number of marketing campaigns aimed at increasing the readership audience, as well as agreeing strategic content distribution partnerships with SmartBrief and MultiView in the USA. These partnerships broadened the relevant audiences who read the content contributed to the platform.

Following the full launch of the platform the company has subsequently developed two additional services – market intelligence analytics and business development services – targeted at intellectual property (IP) law firms globally. These additional services are marketed alongside the content marketing service as an integrated suite called 'Business Builder' which helps support IP law firms' growth strategies. The Primary Opinion platform is fundamental to the fulfilment of the Business Builder opportunities that the company is offering to the legal sector.

Since December 2014 there has been an increasing focus on initiating and growing sales activity to sell the company's services to IP law firms globally. A strong sales pipeline has been developed and continues to grow, but the sales cycle to close revenue has been longer than anticipated. This is due in the main to the protracted decision making processes that law firm partnerships have in place, and sales and marketing activity has been increased to accommodate for this.

Significant changes in the state of affairs
In August 2014 the Company issued 9,800,000 fully paid ordinary shares at an issue price of $0.055 (5.5 cents) per share, raising $539,000 before costs.

In September 2014 the Company issued 40,654,546 fully paid ordinary shares at an issue price of $0.055 (5.5 cents) per share, raising $2,236,000 before costs.

In May 2015 the Company issued 26,923,078 fully paid ordinary shares at an issue price of $0.026 (2.6 cents) per share, raising $700,000 before costs.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
Subsequent to the end of the financial year, the Company entered into Facility Agreements with entities associated with two of its directors for the provision of $600,000 in loan funds. On 28 September the Company announced that it had fully drawn down the available loan funds. On 28 September 2015, the Company held a general meeting of shareholders at which it received approval from shareholders to convert of these loan funds into convertible notes.

At the same general meeting the Company also received shareholder approval for its prior issue of 27,000,000 fully paid ordinary shares in April 2015. These shares were issued without prior shareholder approval pursuant to ASX listing rule 7.1. By obtaining retrospective shareholder approval the Company reinstated its capacity to issue up to 15% of its existing share capital in a 12 month period under listing rule 7.1, and the additional 10% capacity under listing rule 7.1A.

On 26 August 2015 Jumbuck Entertainment AS was deregistered.

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The future developments of the consolidated entity relate to the development of the Primary Opinion business. The Primary Opinion business is in effect a start-up business and is sourcing customers and completing the development of its information technology platform. Subsequent to this the consolidated entity is looking to position itself as the leading global information and networking community for professional advisors, initially in the legal sector.

Environmental regulation
The Company takes a responsible approach in relation to the management of environmental matters. All significant environmental risks have been reviewed and the Group has no legal obligation to take corrective action in respect of any environmental matter. The economic entity’s operations are not subject to significant environmental regulation under the law of the Commonwealth and State.

Information on directors

Name:	Martin Burke
Title:	Managing Director and CEO
Experience and expertise:	Mr Burke has over 30 years’ experience in senior leadership, sales and business development roles with both early stage and established businesses serving the professional services sector. Mr Burke was previously at Melbourne IT where he led the Digital Brand Services business until its acquisition in 2013. Prior to this he was Managing Director of Thompson CompuMark for three and a half years, joining Thompson CompuMark from PCTFILTER (now Inovia) where he was CEO for 2 years. Earlier in his career Mr Burke was Trademark Services and Marketing Director for CPA Global and commercial director at FT.com, and he also held a number of senior sales and marketing management positions with Reuters in London and New York. Mr Burke is based in London, UK.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	7,175,083 fully paid up ordinary shares.
Interests in options:	3,774,099 unlisted options.

Name:	Hon Jeffrey G Kennett AC
Title:	Non-executive Chairman
Experience and expertise:	Jeff Kennett AC is the founding Chairman of beyondblue: the national depression initiative and has been Chairman since 2000. He is Chairman of The Torch, a program assisting incarcerated Indigenous men and women. Mr Kennett was an Officer in the Royal Australian Regiment, serving at home and overseas. He was a Member of the Victorian Parliament for 23 years, and was Premier of the State from 1992 to 1999. Prior to that he was Leader of the Opposition 1982-1989; 1991-1992. He is currently Chairman of Open Windows Australia Proprietary Limited, Chairman of CT Management Group Pty Ltd, Chairman of Amtek Corporation Pty Ltd and Chairman of LEDified Lighting Corporation Pty Ltd. Mr Kennett is Patron of The Royal District Nursing Service and Sovereign Hill Ballarat and associated with many other community organisations. Member of the Singapore Tourism Advisory Board 2000-2006. President of the Hawthorn Football Club 2005-2011. Chairman of Australian Seniors Finance Ltd 2004-2007. In 2005 Mr Kennett was awarded the Companion of the Order of Australia. Mr Kennett was awarded an Honorary Doctorate in Business (honoris causa) by Ballarat University in 2000 and he was awarded an Honorary Doctorate of Laws (honoris causa) by Deakin University in 2014.
Other current directorships:	Chairman, Beyond Blue Limited, Non-executive Director of Equity Trustees Limited and Seven West Media Ltd.
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Remuneration Committee and a member of the Audit Committee.
Interests in shares:	7,353,172 fully paid up ordinary shares.

Name:	Tom SP Kiing
Title:	Non-executive Director
Experience and expertise:	Board member since July 2008, Mr Kiing is also a director of Bridge Capital Pty Ltd, an Australian technology investment firm that manages a portfolio of investments in the IT sector. He currently also sits on the Board of: Melbourne IT Ltd, Australia's largest domain name and web services business and The Atomic Group, an integrated sports and entertainment company in Australia. Mr Kiing is also the founder of Tarazz.com.au Australia's largest online mall, an Australian based e-commerce portal. Mr Kiing has extensive experience as a technology executive in building and growing businesses in the digital arena. Mr Kiing also has broad experience in mergers and acquisitions, capital markets and corporate finance. He travels extensively through the ASEAN region to promote a wide range of Australian investment opportunities to Asian institutions and private investors. Mr Kiing is a member of the Remuneration and Audit Committees.
Other current directorships:	Non-executive Director, Melbourne IT Limited.
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Audit Committee and a member of the Remuneration Committee.
Interests in shares:	28,702,952 fully paid up ordinary shares.

Name:	Harvey C Parker
Title:	Non-executive Chairman (resigned 28 November 2014)
Experience and expertise:	Board member and Chairman since January 2009, Mr Parker is an experienced Chairman having been Chairman of Petroz NL, Datacom Investments Australia, Moore Australia, Intermoco, DWS and Emergency Communications Victoria. He was also a Non-Executive Director of the ASX listed technology services company Volante Group Limited and DWS (resigned March 2014). Mr Parker's other current role as Chairman of an ASX listed entity is Pacific Turbine. Mr Parker has experience as CEO of New Zealand Post and United Energy and as Group Managing Director of Commercial and Consumer at Telstra. Mr Parker was the Chairman of the Audit Committee and a member of the Remuneration Committee.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Special responsibilities:	N/A
Interests in shares:	N/A

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretaries
Ms Melanie Leydin
Ms Leydin holds a Bachelor of Business majoring in Accounting and Corporate Law. She is a member of the Institute of Chartered Accountants and is a Registered Company Auditor. She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of chartered accounting firm, Leydin Freyer.

The practice provides outsourced company secretarial and accounting services to public and private companies specialising in the Resources, technology, bioscience and biotechnology sector.

Melanie has over 23 years' experience in the accounting profession and has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations.

Mr Justin Mouchacca
Mr Mouchacca holds a Bachelor of Business majoring in Accounting. He graduated from RMIT University in 2008, became a Chartered Accountant in 2011 and since July 2013 has been the principal of chartered accounting firm, Leydin Freyer Corp Pty Ltd.

The practice provides outsourced company secretarial and accounting services to public and private companies specialising in the Resources, technology, bioscience and biotechnology sectors.

Justin has over 8 years' experience in the accounting profession and has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2015, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit Committee	
	Attended	Held	Attended	Held	Attended	Held
Martin Burke	12	12	-	-	-	-
Hon Jeffrey G Kennett AC	12	12	-	-	2	2
Tom SP Kiing	12	12	-	-	2	2
Harvey C Parker	5	5	-	-	1	1

Held: represents the number of meetings held during the time the director held office.

Retirement, election and continuation in office of directors
The Board of Directors (Board) has power to appoint persons as Directors to fill any vacancies. Other than those Directors appointed during the year, one-third (or the nearest number to) are required to retire by rotation at each annual general meeting and are eligible to stand for re-election together with those Directors appointed during the year to fill any vacancy who must retire and stand for election.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

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

No external specialist remuneration advice is sought in respect of remuneration arrangements for Non-Executive Directors of the Board and Key Management Personnel of the Group during the year. General reward advice is sought on an ad hoc basis.

Alignment to shareholders' interests:
- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives

Alignment to program participants' interests:
- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards

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

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Fees are established annually for the Chairman and Non-Executive Directors. The total fees paid by the Group to members of the Board, including fees paid for their involvement on Board committees, are kept within the total approved by shareholders from time to time. ASX listing rules require the aggregate non-executive directors remuneration be determined periodically by a general meeting. Shareholders approved a maximum fee pool of $400,000 per annum at the Company’s annual general meeting held on 30 October 2006. There are no retirement allowance benefits to Non-Executive Directors.

Each Non-Executive Director receives a fee for being a Director of the Company but no additional fees for sitting on or chairing committees. The Non-Executive Directors also receive superannuation contributions at 9.5%, and do not receive any other retirement benefits.

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

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

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

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

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

The short-term incentives ('STI') program is designed to align the targets of the business units with the targets of those executives responsible for meeting those targets. Short-term incentives are used to differentiate rewards based on performance on a year by year basis. The principal performance indicator of the short-term incentive plan is the Group's financial performance. The financial performance measurement selected is revenue growth. It has been selected as the most appropriate measure of trading performance, and is calculated based on a percentage above a revenue threshold level. This allows the individual to be rewarded for growth in revenue. The percentage and threshold level can differ for each individual and are reviewed every year. The revenue thresholds are determined based on the ability of the Key Management Personnel to influence the Group's earnings.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares and options are occasionally awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the consolidated entity's direct competitors.

Consolidated entity performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

Voting and comments made at the company's 2014 Annual General Meeting ('AGM')
At the 2014 AGM, 98% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2014. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Primary Opinion Limited:
- Hon Jeffrey G Kennett AC
- Tom SP Kiing
- Harvey C Parker
- Martin Burke

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2015	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Hon Jeffrey G Kennett AC	49,583	-	-	4,674	-	-	54,257
Tom SP Kiing	49,583	-	-	4,674	-	-	54,257
Harvey C Parker	20,833	-	-	1,927	-	-	22,760
Executive Directors:							
Martin Burke	358,017	-	-	-	-	-	358,017
	478,016	-	-	11,275	-	-	489,291

	Short-term benefits			Post-employment benefits	Termination benefits	Share-based payments	
2014	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Termination payment $	Equity-settled $	Total $
Non-Executive Directors:							
Hon Jeffrey G Kennett AC	35,000	-	-	3,238	-	-	38,238
Tom SP Kiing	35,000	-	-	3,238	-	-	38,238
Harvey C Parker	50,000	-	-	4,625	-	-	54,625
Executive Directors:							
Martin Burke	228,709	-	-	-	-	193,023	421,732
Other Key Management Personnel:							
Angelo Tsagarakis	220,000	20,000	6,845	20,350	84,615	92	351,902
	568,709	20,000	6,845	31,451	84,615	193,115	904,735

* Angelo Tsagarakis' contract was terminated on 1 July 2014 as part of the restructuring of the consolidated entity's organisation.

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2015	2014	2015	2014	2015	2014
Non-Executive Directors:						
Hon Jeffrey G Kennett AC	100%	100%	-%	-%	-%	-%
Tom SP Kiing	100%	100%	-%	-%	-%	-%
Harvey C Parker	100%	100%	-%	-%	-%	-%
Executive Directors:						
Martin Burke	100%	54%	-%	-%	-%	46%
Other Key Management Personnel:						
Angelo Tsagarakis	-%	94%	-%	6%	-%	-%

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mr Martin Burke
Title:	CEO and Managing Director
Agreement commenced:	7 October 2013
Term of agreement:	No fixed term. Six months' notice to be provided by executive or Company.
Details:	Annual salary is GBP190,000 (equivalent of $318,000 at contract date). Subject to shareholder approvals received during the year, 3,774,099 options (post consolidation) exercisable for one ordinary share per option at an issue price of $0.06 (6 cents). The options are divided into 3 equal tranches, expiring 4 years after the date of issue. The first tranche of options will vest when the price of ordinary shares remains at or above $0.017. The second tranche of options will vest when the price of ordinary shares remains at or above $0.057. The third tranche of options will vest when the price of ordinary shares remains at or above $0.10. 15,723,897 ordinary shares (pre-share consolidation) were issued to Mr Burke as part of his sign on. The number of shares held was consolidated when the Company completed its share consolidation in January 2014 to 3,144,779 shares.

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

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2015.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
17/12/2013	17/12/2014	13/12/2018	$0.060	$0.026
17/12/2013	17/12/2015	13/12/2019	$0.060	$0.027
17/12/2013	17/12/2016	13/12/2019	$0.060	$0.023

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2015 are set out below:

Name	Number of options granted during the year 2015	Number of options granted during the year 2014	Number of options vested during the year 2015	Number of options vested during the year 2014
Martin Burke	-	3,774,099	1,258,033	-

Additional information

The earnings of the consolidated entity for the five years to 30 June 2015 are summarised below:

	2015 $	2014 $	2013 $	2012 $	2011 $
Sales revenue	63,479	1,487,175	2,715,003	4,839,463	7,219,311
EBIT	(6,504,985)	(2,454,903)	(9,126,726)	(7,066,388)	(7,923,655)
Net profit/(loss) before tax	(6,498,316)	(2,424,111)	(9,061,989)	(6,840,832)	(7,586,368)
Loss after income tax	(6,498,316)	(2,343,895)	(9,137,339)	(6,587,011)	(6,197,244)

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

	2015	2014	2013	2012	2011
Share price at financial year end ($)	0.02	0.05	0.06	0.27	0.70
Total dividends declared (cents per share)	-	-	-	-	5.00
Basic earnings per share (cents per share)	(5.93)	(5.95)	(93.65)	(67.50)	(63.50)
Diluted earnings per share (cents per share)	(5.93)	(5.95)	(93.65)	(67.50)	(63.50)

The value of dividends and earnings per share relating to 2011,2012 and 2013 have been adjusted to reflect the share consolidation of 1:5 completed in 2014.

Additional disclosures relating to key management personnel

Shareholding

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Martin Burke	5,811,447	-	1,363,636	-	7,175,083
Hon Jeffrey G Kennett AC	4,185,899	-	3,167,273	-	7,353,172
Tom SP Kiing	18,702,952	-	10,000,000	-	28,702,952
	28,700,298	-	14,530,909	-	43,231,207

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Martin Burke	3,774,099	-	-	-	3,774,099
	3,774,099	-	-	-	3,774,099

	Vested and exercisable	Vested and unexercisable	Balance at the end of the year
Options over ordinary shares			
Martin Burke	1,258,033	-	1,258,033
	1,258,033	-	1,258,033

Other transactions with key management personnel and their related parties
There were no transactions with key management personnel and their related parties during the financial year.

The Honourable Jeffrey C Kennett is a Director of Primary Opinion Ltd as well as the Chairman of beyondblue Ltd. During the prior period Primary Opinion Ltd entered into an agreement to develop a new risk management and moderation solution for beyondblue's online communities and other social media sites. Primary Opinion's agreement with beyondblue includes an initial build phase as well as the provision of support services extending out to 31 March 2014. Primary Opinion received $85,136 during the prior year and adopted normal commercial terms and conditions and applied prevailing market rates when providing services to beyondblue.

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Primary Opinion Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Primary Opinion Limited issued on the exercise of options during the year ended 30 June 2015 and up to the date of this report.

Indemnity and insurance of officers
The Company has indemnified each Director referred to in this report, the Company Secretary and previous Directors and secretaries (Officers) against all liabilities or loss (other than to the Company or a related body corporate) that may arise from their position as Officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith or indemnification is otherwise not permitted under the Corporations Act. The indemnity stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses, and covers a period of seven years after ceasing to be an Officer of the Company.

The Company has also indemnified the current and previous Directors of its controlled entities and certain members of the Company's senior management for all liabilities and loss (other than to the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith or indemnification is otherwise not permitted under the Corporations Act.

The Company has executed deeds of indemnity in terms of Article 27 in favour of each Non-Executive Director of the Company and certain Non-Executive Directors of related bodies corporate of the Company as well as with the Company Secretary.

The Company has paid insurance premiums in respect of Directors' and Officers' liability insurance contracts, for Officers of the Company and of its controlled entities. The insurance cover is on standard industry terms and provides cover for loss and liability for wrongful acts in relation to the relevant person's role as an Officer, except that cover is not provided for loss in relation to Officers gaining any profit or advantage to which they were not legally entitled, or Officers committing any criminal, dishonest, fraudulent or malicious act or omission, or any knowing or wilful violation of any statute or regulation. Cover is also only provided for fines and penalties in limited circumstances and up to a small financial limit.

The insurance does not provide cover for the independent auditors of the Company or of a related body corporate of the Company.

In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

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

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 22 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Deloitte Touche Tohmatsu
There are no officers of the company who are former partners of Deloitte Touche Tohmatsu.

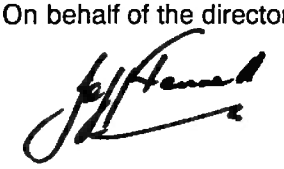
Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

Auditor
Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the Corporations Act 2001.

Primary Opinion Limited
Directors' report
30 June 2015

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



The Hon Jeffrey G Kennett AC
Chairman

30 September 2015

Deloitte.

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The Board of Directors
Primary Opinion Limited
Level 4, 100 Albert Road
South Melbourne VIC 3205

30 September 2015

Dear Board Members

Primary Opinion Ltd

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Primary Opinion Ltd.

As lead audit partner for the audit of the financial statements of Primary Opinion Ltd for the financial year ended 30 June 2015, 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 sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gerard Belleville

Gerard Belleville
Partner
Chartered Accountants

Primary Opinion Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
Revenue from continuing operations	5	10,319	29,748
Expenses			
Advertising and marketing expenses		(182,127)	(5,151)
Contractor benefits expenses		(952,989)	(219,348)
Employee benefits expense	6	(1,718,651)	(852,471)
Depreciation and amortisation expense	6	(349,177)	(1,972)
Impairment of assets		(824,203)	-
Loss on disposal of assets		(6,450)	-
Other expenses	6	(1,183,713)	(805,060)
Foreign exchange losses		(14,115)	(12,674)
Loss before income tax expense from continuing operations		(5,221,106)	(1,866,928)
Income tax expense	7	-	-
Loss after income tax expense from continuing operations		(5,221,106)	(1,866,928)
Loss after income tax benefit from discontinued operations	8	(1,418,773)	(476,967)
Loss after income tax benefit for the year attributable to the owners of Primary Opinion Limited		(6,639,879)	(2,343,895)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	18	144,855	(53,799)
Other comprehensive income for the year, net of tax		144,855	(53,799)
Total comprehensive income for the year attributable to the owners of Primary Opinion Limited		(6,495,024)	(2,397,694)
Total comprehensive income for the year is attributable to:			
Continuing operations		(5,076,251)	(1,920,727)
Discontinued operations	8	(1,418,773)	(476,967)
		(6,495,024)	(2,397,694)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Primary Opinion Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Primary Opinion Limited			
Basic earnings per share	29	(4.76)	(4.74)
Diluted earnings per share	29	(4.76)	(4.74)
Earnings per share for loss from discontinued operations attributable to the owners of Primary Opinion Limited			
Basic earnings per share	29	(1.29)	(1.21)
Diluted earnings per share	29	(1.29)	(1.21)
Earnings per share for loss attributable to the owners of Primary Opinion Limited			
Basic earnings per share	29	(6.06)	(5.95)
Diluted earnings per share	29	(6.06)	(5.95)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Primary Opinion Limited
Statement of financial position
As at 30 June 2015

	Note	Consolidated 2015 $	2014 $
Assets			
Current assets			
Cash and cash equivalents	9	414,281	1,596,185
Trade and other receivables	10	97,177	438,281
Other	11	26,817	160,643
Total current assets		538,275	2,195,109
Non-current assets			
Property, plant and equipment	12	55,820	35,238
Intangible assets	13	-	711,915
Total non-current assets		55,820	747,153
Total assets		594,095	2,942,262
Liabilities			
Current liabilities			
Trade and other payables	14	353,982	1,095,348
Income tax	15	-	11
Provisions	16	-	39,799
Total current liabilities		353,982	1,135,158
Total liabilities		353,982	1,135,158
Net assets		240,113	1,807,104
Equity			
Issued capital	17	16,099,980	12,748,627
Reserves	18	642,545	(838,890)
Accumulated losses		(16,502,412)	(10,102,633)
Total equity		240,113	1,807,104

The above statement of financial position should be read in conjunction with the accompanying notes

Primary Opinion Limited
Statement of changes in equity
For the year ended 30 June 2015

Consolidated	Contributed Equity $	Foreign Currency Reserve $	Options Reserves $	Retained Earnings $	Total equity $
Balance at 1 July 2013	9,649,537	(1,500,759)	683,029	(7,758,738)	1,073,069
Loss after income tax expense for the year	-	-	-	(2,343,895)	(2,343,895)
Other comprehensive income for the year, net of tax	-	(53,799)	-	-	(53,799)
Total comprehensive income for the year	-	(53,799)	-	(2,343,895)	(2,397,694)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 17)	2,938,706	-	-	-	2,938,706
Share-based payments (note 30)	160,384	-	32,639	-	193,023
Balance at 30 June 2014	12,748,627	(1,554,558)	715,668	(10,102,633)	1,807,104

Consolidated	Contributed Equity $	Foreign Currency Reserve $	Options Reserves $	Retained profits $	Total equity $
Balance at 1 July 2014	12,748,627	(1,554,558)	715,668	(10,102,633)	1,807,104
Loss after income tax expense for the year	-	-	-	(6,639,879)	(6,639,879)
Other comprehensive income for the year, net of tax	-	144,855	-	-	144,855
Total comprehensive income for the year	-	144,855	-	(6,639,879)	(6,495,024)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 17)	3,351,353	-	-	-	3,351,353
Share-based payments (note 30)	-	-	41,686	-	41,686
Transfer of share options	-	-	(240,100)	240,100	-
Reversal of foreign currency translation reserve (note 18)	-	1,534,994	-	-	1,534,994
Balance at 30 June 2015	16,099,980	125,291	517,254	(16,502,412)	240,113

The above statement of changes in equity should be read in conjunction with the accompanying notes

Primary Opinion Limited
Statement of cash flows
For the year ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		419,038	1,895,926
Payments to suppliers and employees (inclusive of GST)		(4,570,166)	(4,143,358)
Interest received		6,669	30,792
Income taxes refunded		-	417,800
Net cash used in operating activities	28	(4,144,459)	(1,798,840)
Cash flows from investing activities			
Payments for property, plant and equipment		(37,289)	(32,310)
Payments for intangibles		(351,509)	(711,915)
Proceeds from disposal of property, plant and equipment		-	1,500
Net cash used in investing activities		(388,798)	(742,725)
Cash flows from financing activities			
Proceeds from issue of shares		3,475,000	3,212,500
Issue costs		(123,647)	(273,794)
Net cash from financing activities		3,351,353	2,938,706
Net increase/(decrease) in cash and cash equivalents		(1,181,904)	397,141
Cash and cash equivalents at the beginning of the financial year		1,596,185	1,199,044
Cash and cash equivalents at the end of the financial year	9	414,281	1,596,185

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and Interpretations, the Corporations Act 2001 and complies with other requirements of the law.

The financial report covers the economic entity of Primary Opinion Limited and controlled entities. Primary Opinion Limited is a public company, incorporated and domiciled in Australia.

For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial report includes the consolidated financial statements of the Group and is referred to as the Group or consolidated entity.

Accounting standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards (‘IFRS’).

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2015.

Note 2. Significant accounting policies

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

New, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
The consolidated entity has applied AASB 2012-3 from 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
The consolidated entity has applied AASB 2013-3 from 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

Note 2. Significant accounting policies (continued)

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)
The consolidated entity has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity; AASB 140 'Investment Property': clarifies that the acquisition of an investment property may constitute a business combination.

Going concern
The financial statements have been prepared on the going concern basis, which assumes the continuity of normal business activities, and the realization of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2015 the consolidated entity incurred a net loss of $6,639,879 and incurred net cash outflows from operating and investing activities of $4,533,257. As at 30 June 2015 the consolidated entity had accumulated losses of $16,502,412 and cash reserves of $414,281.

As part of implementing the new strategy agreed by the Board in 2014, the consolidated entity has undertaken the transition from the Consumer Chat market to becoming an information and services provider to the global legal market. As part of this the Company and consolidated entity has exited the Consumer Chat market and launched the Primary Opinion legal information and services platform.

In order to develop the new legal content and services platform the Company and consolidated entity raised approximately $2,775,000 (before costs) from the issue of 50,454,546 fully paid ordinary shares in August and September 2014. This has been used to fund working capital, project development expenditure, and commence sales and marketing activities. A further $700,000 was raised, before costs, in May 2015 from the issue of ordinary shares to accelerate the business development activities.

Furthermore, subsequent to the year end, the Company has entered into Facility Agreements with entities associated with two of its directors for the amount of $600,000. At the date of signing this report the funds available under those facilities have been drawn down by the Company. The Company has agreed to enter into an agreement with the lenders for the issue of convertible notes to those entities associated with the directors, in satisfaction of the obligations to repay the finance provided under the Facility Agreements.

The Company and consolidated entity have prepared cash flow forecasts from the date of this report to 30 September 2016 for the purpose of ensuring that it can meet its debts as and when they fall due. The forecasts indicate the current cash reserve is only sufficient cash to cover forecast cash outflows until November 2015. The cash flow forecasts include cash raised from funding through the issue of shares or loan facilities of $927,000 and cash receipts derived from the sale of Primary Opinion services of $517,000, none of which have yet been secured.

An issue of new shares to raise at least $250,000 has been planned to be completed in November 2015 and the directors have agreed to underwrite this issue of shares to a maximum value of $250,000.

Note 2. Significant accounting policies (continued)

Going concern
Therefore to continue as a going concern the Company and consolidated entity must;

1. Raise additional funding through equity and/or debt of at least $250,000 before November 2015 with a further $477,000 in January 2016 and $200,000 in July 2016, and

2. Generate a minimum of $517,000 of cash flows from the sale of Primary Opinion services, and

3. Reduce the company's cost structure to enable it to operate within the constraints of available cash resources. This includes a reduction in capital investment, optimising the Company and consolidated entity's organisation structure, the deferral of payment of non-executive director fees, and the deferral of 100% of the Chief Executives remuneration until otherwise altered by the Board, and

4. In the event the sales revenue, detailed in 2. above, is not generated or the sufficient cost reductions , detailed in 3. above, are not achieved, further raising of debt or equity would be required.

While the directors have undertaken a market analysis and forecasting process, the Primary Opinion business is a new business and is therefore sourcing customers. Accordingly, there is difficulty in accurately forecasting the amount and timing of anticipated revenue streams and operating costs. In the event that the Company and consolidated entity cannot generate sufficient revenue and cash flows from the above activities, the Directors will seek to undertake additional capital or reduce their cost structures. Based on the recent history of the Company and consolidated entity the directors believe future capital raises will be successful.

Accordingly, the financial report has been prepared on the going concern basis based on the ability of the Company and consolidated entity to achieve sufficient cash inflows from sales and raise further equity, where necessary, to fund working capital.

In the event that the above initiatives do not eventuate or do not generate sufficient cash flows from operations there is significant uncertainty as to whether the consolidated entity and the company will be able to continue as going concerns. If the consolidated entity and the company are unable to continue as going concerns they may be required to realise their assets and extinguish their liabilities other than in the normal course of business and at amounts different from those stated in the financial statements.

The financial statements do not any include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity and the company not continue as a going concerns.

Basis of preparation
These general purpose financial statements 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 for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 24.

Note 2. Significant accounting policies (continued)

Principles of consolidation
A controlled entity is any entity Primary Opinion Ltd has the power over, and is exposed or has rights to variable returns from its involvement in the entity, and has the ability to use it power to affect its returns.

A list of controlled entities is contained in Note 25 to the financial statements.

All inter-company balances and transactions between entities in the consolidated entity, including any recognised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

The investments in controlled entities are measured at cost in the parent entity's financial statements.

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

Foreign currency translation
The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is Primary Opinion Ltd's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Foreign operations
The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services
Revenue from the rendering of services is recognised upon delivery of the service to the customer.

Note 2. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The charge for current income tax expense/(benefit) is based on the profit/(loss) for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the statement of financial position date.

Deferred tax is accounted for using the statement of financial position liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is recognised or liability is settled. Deferred tax is credited in the profit or loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Primary Opinion Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the Group recognised its own current and deferred tax liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each Group entity is then subsequently assumed by the parent entity. The Group entered into the tax consolidation regime from 1st June 2006 and notified the Australian Taxation Office that it had formed an income tax consolidated Group to apply from 1st June 2006. The tax will be paid by the parent entity as the Group has not entered into a tax funding agreement. Primary Opinion Ltd is the designated parent entity for tax consolidation purposes.

Discontinued operations
A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

Note 2. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

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

Financial assets
Investments are recognised and derecognised on trade date when purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', held to maturity' investments, 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of profit or loss and other comprehensive income.

With exception of available-for-sale equity instruments, if, in subsequent periods, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the statement of profit or loss and other comprehensive income to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Property, plant and equipment
Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets.

Note 2. Significant accounting policies (continued)

The depreciable amount of all fixed assets including recognised lease assets is depreciated on a straight line basis over their useful lives 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. Assets under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

The following estimated useful lives are used in the calculation of depreciation:

Plant and equipment	3-4 years
Furniture and fittings	8 years
Software	2-4 years
Leasehold improvements	8 years
Motor vehicles	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Intangible assets
Goodwill
Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in the statement of profit or loss and other comprehensive income as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Note 2. Significant accounting policies (continued)

Research and development cost
Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

Deferred development costs are amortised over the useful life of the product, once the product has been made available for commercial sale. Research costs are charged to profit or loss as they are incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent to initial recognition, deferred development costs for which the product has been made available for commercial sale are reported at cost less accumulated amortisation and accumulated impairment loss.

Intangible Assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Impairment of non-financial assets
At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss and other comprehensive income immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised in income.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually due for payment within 30 days of issue.

Note 2. Significant accounting policies (continued)

Employee benefits

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

Contributions made by the Company to employee superannuation funds are charged as expenses when incurred.

The company operates an ownership-based remuneration scheme through the Incentive Option Scheme, details of which are provided in Note 30 to the financial statements. Other than minimal administration costs, which are expensed when incurred, the plan does not result in any cash outflow from the Company.

The fair value of equity-settled share based payments is measured by use of the Black-Scholes and Binomial model. The expected life used in the models have been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the consolidated entity's estimate of shares that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of comprehensive income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Financial Liabilities
Financial liabilities are classified as other financial liabilities.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

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

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

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 2. Significant accounting policies (continued)

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Primary Opinion 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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2015. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, 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 consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 2. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 January 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2015-1 Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012 - 2014
AASB 2015-1 was issued in January 2015 and the amendments it contains are applicable to annual reporting periods beginning on or after 1 January 2016 and affects a number of Accounting Standards. The impact of adoption of these amendments has not yet been assessed by the consolidated entity.

AASB 2015-2 Amendments to Australian Annual Accounting Standards - Disclosure Initiative: Amendments to AASB 101
AASB 2015-2 was issued in January 2015 and the amendments it contains are applicable to annual reporting periods beginning on or after 1 January 2016 and affects a number of Accounting Standards. The impact of adoption of these amendments has not yet been assessed by the consolidated entity.

Note 3. Critical accounting judgements, estimates and assumptions

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.

Impairment of development costs
The consolidated entity had incurred development costs to 30 June 2015 is $1,190,226 (2014: $711,115) in relation to expenditure on developing the Primary Opinion platform, which was brought into use in January 2015. Upon completion of an impairment review by the Directors at 30 June 2015 the asset was fully impaired. The decision to fully impair the asset was taken due to the minimal sales achieved at the balance date, resulting in limited supportable sales data to provide the basis for future cash flow forecasts. Should the sales and associated data improve the Directors will be able to prepare more supportable cash flow from sales forecasts. Where this provides positive cash flow forecasts in relation to the asset then the impairment may be reversed.

Recovery of deferred tax assets
As described in note 2 above, the Group recognises deferred tax assets to the extent that future taxable profits will be available against which to utilize the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Note 4. Operating segments

Identification of reportable operating segments
AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the Chief Operating Decision Makers in order to allocate resources to the segment and to assess its performance.

There is currently only one operating segment under the criteria set out in AASB 8, that is Primary Opinion which includes the development of a platform that will enable subscribers to provide professional service content to the market across a broad range of devices. Information regarding this segment is set out below. Head office costs are not considered an operating segment and are accounted for in the reconciliation to operating profit before tax. The accounting policies for the segment are consistent with those of the consolidated entity.

Consolidated - 2015	Primary Opinion $	Unallocated $	Total $
Revenue			
Sales to external customers	1,800	-	1,800
Other revenue	-	1,888	1,888
Interest revenue	469	6,162	6,631
Total revenue	2,269	8,050	10,319
Segment profit/(loss)	(4,964,445)	-	(4,964,445)
Loss before tax from discontinued operation			(1,418,773)
Interest revenue			6,162
Other revenue			1,888
- Directors' fees			(131,275)
- ESOP expense			(41,686)
- Other head office costs			(91,750)
Loss before income tax expense			(6,639,879)
Income tax expense			-
Loss after income tax expense			(6,639,879)
Assets			
Segment assets	575,367	-	575,367
Unallocated assets:			
Cash and cash equivalents			4,002
Trade and other receivables			14,726
Total assets			594,095
Total assets includes:			
Acquisition of non-current assets	388,798	-	388,798
Liabilities			
Segment liabilities	351,126	-	351,126
Unallocated liabilities:			
Other payables			2,856
Total liabilities			353,982

Note 4. Operating segments (continued)

Consolidated - 2014	Primary Opinion $	Unallocated $	Total $
Revenue			
Interest revenue	-	29,748	29,748
Total revenue	-	29,748	29,748
Segment Profit/(Loss)	(1,094,011)	-	(1,094,011)
Loss before tax from discontinued operation			(476,967)
Interest revenue			29,748
- Directors' fees			(359,810)
- Share based payments			(193,115)
- Other head office costs			(329,956)
Loss before income tax benefit			(2,424,111)
Income tax benefit			80,216
Loss after income tax benefit			(2,343,895)
Assets			
Segment assets	2,476,578	-	2,476,578
Unallocated assets:			
Cash and cash equivalents			211,396
Trade and other receivables			210,772
Other current assets			38,623
Property, plant and equipment			4,893
Total assets			2,942,262
Liabilities			
Segment liabilities	695,411	-	695,411
Unallocated liabilities:			
Trade and other payables			399,947
Provisions			39,800
Total liabilities			1,135,158

The revenue reported above represents revenue generated from external customers. There were no intersegment sales during the period. Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, investment revenue, finance costs and income tax expense. This is the measure reported to the Chief Operating Decision Makers for the purposes of resource allocation and assessment of segment performance.

Geographical information

	Sales to external customers		**Geographical non-current assets**	
	2015 $	**2014 $**	**2015 $**	**2014 $**
Australia	-	-	708	4,894
United Kingdom	1,800	-	55,112	742,259
	1,800	-	55,820	747,153

The revenue reported above represents revenue generated from external customers. There were no intersegment sales in the current year (2014: NIL).

Note 4. Operating segments (continued)

	Consolidated	
	2015	2014
	$	$
Depreciation and Amortisation		
Discontinued operations	-	11,971
Primary Opinion	348,612	1,972
Other	565	25,942
	349,177	39,885

Impairment expense

The impairment expense incurred during the year of $824,203 related to the development assets in the Primary Opinion segment.

	Consolidated	
	2015	2014
	$	$
Additions to Non-Current Assets		
Primary Opinion	388,798	744,229

Note 5. Revenue

	Consolidated	
	2015	2014
	$	$
From continuing operations		
Service revenue	1,800	-
Other revenue		
Interest income	6,631	29,748
Other revenue	1,888	-
	8,519	29,748
Revenue from continuing operations	10,319	29,748

Note 6. Expenses

	Consolidated	
	2015	**2014**
	$	**$**
Loss before income tax from continuing operations includes the following specific expenses:		
Depreciation		
Depreciation of non-current assets	13,150	1,972
Amortisation		
Capitalised development costs	336,027	-
Total depreciation and amortisation	349,177	1,972
Impairment		
Capitalised development costs	824,203	-
Employee benefits expense		
Defined contribution plans	182,928	90,467
Other employee benefits	1,494,037	568,889
Share based payments	41,686	193,115
Total employee benefits expense	1,718,651	852,471
Other expenses		
Accounting and audit	109,772	70,432
Communications expenses	21,326	102,252
External consultants	97,064	163,691
Insurance	51,001	73,725
I.T. & equipment costs	482,912	155,622
Legal	62,885	70,964
Premises	129,667	26,876
Travel and accommodation	104,362	50,120
Other expenses	124,724	91,378
Total other expenses	1,183,713	805,060

Note 7. Income tax benefit

	Consolidated 2015 $	Consolidated 2014 $
Income tax benefit		
Current tax	(527,839)	(678,442)
Adjustment recognised for prior periods	-	(86,076)
Amounts not brought to current as a Deferred Tax Asset in the current year	527,839	685,607
Benefit arising from previously unrecognised tax losses that are used to reduce current tax expense	-	(1,305)
Aggregate income tax benefit	-	(80,216)
Income tax benefit is attributable to:		
Loss from discontinued operations	-	(80,216)
Aggregate income tax benefit	-	(80,216)
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax expense from continuing operations	(5,221,106)	(1,866,928)
Loss before income tax benefit from discontinued operations	(1,418,773)	(557,183)
	(6,639,879)	(2,424,111)
Tax at the statutory tax rate of 30%	(1,991,964)	(727,233)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	41	641
Options expense	12,506	57,907
Amounts not brought to current as a Deferred Tax Asset in the current year	1,979,417	685,607
Write off of withholding tax	-	1,302
	-	18,224
Adjustment recognised for prior periods	-	(86,076)
Benefit arising from previously unrecognised tax losses that are used to reduce current tax expense	-	(1,305)
Other jurisdictions	-	(142,199)
Others	-	131,140
Income tax benefit	-	(80,216)

	Consolidated 2015 $	Consolidated 2014 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised (Australia)	8,126,115	9,491,063
Potential tax benefit @ 30%	2,437,835	2,847,319
Unused tax losses for which no deferred tax asset has been recognised (United Kingdom)	6,085,014	1,139,631
Potential tax benefit at statutory tax rates	1,217,003	227,926

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 7. Income tax benefit (continued)

The Australian entity has unused capital losses of $1,428,915 (at 30%: $428,674) that are not recognised in the financial report, in addition to the losses stated above.

Note 8. Discontinued operations

Description
During the 2014 financial year the directors made the decision to focus the consolidated entity's resources on the development of the Primary Opinion business operation. Consequently it was decided to discontinue the Consumer Chat operations, and all other operations undertaken by the Group. Due to contractual obligations and existing service agreements, Consumer Chat operations continued until after 30 June 2014. As a result the Consumer Chat operations were discontinued in the current financial year.

The assets from the operations, where they could not be transferred for use within the Primary Opinion operation or Corporate Office, were written down to nil at 30 June 2014 and scrapped during the current financial year. All liabilities arising from the decision to discontinue operations were included in the result for the year ended 30 June 2014. All normal operational expenses will be met as they arise.

Financial performance information

	Consolidated	
	2015	**2014**
	$	**$**
Consumer Chat Communities revenue	61,679	1,456,383
Interest income	38	1,044
Total revenue	61,717	1,457,427
Foreign exchange gains	-	9,029
Total other income	-	9,029
Contractor benefits expense	-	(108,687)
Employee benefits expense	-	(927,699)
Partner revenue share	(32,942)	(326,273)
Depreciation and amortisation expense	-	(37,913)
Loss on disposal of assets	-	(64,623)
Other expenses	87,446	(456,333)
Restructuring costs	-	(102,111)
Total expenses	54,504	(2,023,639)
Profit/(loss) before income tax benefit	116,221	(557,183)
Income tax benefit	-	80,216
Profit/(loss) after income tax benefit	116,221	(476,967)
Recognition of foreign exchange losses on disposal of foreign operations	(1,534,994)	-
Income tax expense	-	-
Loss on disposal after income tax expense	(1,534,994)	-
Loss after income tax benefit from discontinued operations	(1,418,773)	(476,967)

Note 8. Discontinued operations (continued)

Cash flow information

	Consolidated	
	2015	**2014**
	$	**$**
Net cash from/(used in) operating activities	52,866	(306,726)

Assets that could still be used were transferred to other divisions in the consolidated entity. Where assets were no longer useful they were written off in the 2014 financial year. Carrying values of assets written off were not significant.

Note 9. Current assets - cash and cash equivalents

	Consolidated	
	2015	**2014**
	$	**$**
Cash on hand	-	414
Cash at bank	414,281	1,595,771
	414,281	1,596,185

Note 10. Current assets - trade and other receivables

	Consolidated	
	2015	**2014**
	$	**$**
Trade receivables	-	272,355
Less: Provision for impairment of receivables	-	(109,746)
	-	162,609
Other debtors	38,449	9,123
Accrued Income	-	40,131
GST/VAT receivable	58,728	226,418
	97,177	438,281

Impairment of receivables
The ageing of the impaired receivables provided for above are as follows:

	Consolidated	
	2015	**2014**
	$	**$**
91 days and over	-	109,746

Note 10. Current assets - trade and other receivables (continued)

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

	Consolidated	
	2015	**2014**
	$	**$**
Opening balance	109,746	127,181
Additional provisions recognised	-	25,581
Amount recovered	(34,652)	(54,697)
Foreign exchange translation losses	-	11,681
Unused amounts reversed	(75,094)	-
Closing balance	-	109,746

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $nil as at 30 June 2015 ($13,424 as at 30 June 2014).

The ageing of the past due but not impaired receivables are as follows:

	Consolidated	
	2015	**2014**
	$	**$**
91 days and over past due	-	13,424

Note 11. Current assets - other

	Consolidated	
	2015	**2014**
	$	**$**
Prepayments	26,817	160,643

Note 12. Non-current assets - property, plant and equipment

	Consolidated	
	2015	**2014**
	$	**$**
Leasehold improvements - at cost	12,386	3,098
Less: Accumulated depreciation	(1,777)	(171)
	10,609	2,927
Fixtures, fittings and equipment - at cost	60,016	46,278
Less: Accumulated depreciation	(14,805)	(13,967)
	45,211	32,311
Motor vehicles - at cost	-	25,122
Less: Accumulated depreciation	-	(25,122)
	-	-
	55,820	35,238

Note 12. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Fixtures, fittings and equipment $	Leasehold Improvements $	Motor Vehicles $	Total $
Balance at 1 July 2013	86,596	18,472	2,698	107,766
Additions	29,211	3,099	-	32,310
Disposals	(48,016)	(17,245)	-	(65,261)
Exchange differences	310	(1)	-	309
Depreciation expense	(35,790)	(1,398)	(2,698)	(39,886)
Balance at 30 June 2014	32,311	2,927	-	35,238
Additions	23,980	13,309	-	37,289
Disposals	(1,998)	(4,452)	-	(6,450)
Exchange differences	2,171	722	-	2,893
Depreciation expense	(11,253)	(1,897)	-	(13,150)
Balance at 30 June 2015	45,211	10,609	-	55,820

Impairment losses
During the previous year the decision was taken to cease all existing operations. All assets that would not be transferred to the Primary Opinion business unit or corporate headquarters were written off at 30 June 2014.

Note 13. Non-current assets - intangible assets

	Consolidated	
	2015	**2014**
	$	**$**
Goodwill - at cost	-	14,791,422
Less: Impairment	-	(14,791,422)
	-	-
Development - at cost	1,190,226	10,873,155
Less: Accumulated amortisation	(366,023)	(10,161,240)
Less: Impairment	(824,203)	-
	-	711,915
	-	711,915

Note 13. Non-current assets - intangible assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Development Costs $	Total $
Balance at 1 July 2013	-	-
Additions from internal developments	711,915	711,915
Balance at 30 June 2014	711,915	711,915
Additions from internal developments	351,509	351,509
Exchange differences	96,806	96,806
Impairment of assets	(824,203)	(824,203)
Amortisation expense	(336,027)	(336,027)
Balance at 30 June 2015	-	-

Development expenditure capitalised during the current and prior period related to the Primary Opinion information platform. The asset was brought into use in January 2015. When brought into use it was assessed that the Back end system would have a useful life of 24 months, and the front end system 18 months. Amortisation is charged on a straight line basis over the useful life of the asset.

In accordance with AASB136 the Directors have reviewed the asset for impairment. As minimal sales have been achieved to date the decision has been made to fully impair the asset at 30 June 2015. Should the sales and associated data improve the Directors will be able to prepare more supportable cash flow from sales forecasts. Where this provides positive cash flow forecasts in relation to the asset then the impairment may be reversed.

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2015	**2014**
	$	**$**
Trade payables	126,939	649,040
Other payables	227,043	446,308
	353,982	1,095,348

Refer to note 20 for further information on financial instruments.

Trade and other payables are non-interest bearing and are normally settled within 30 to 60 days of recognition.

Note 15. Current liabilities - income tax

	Consolidated	
	2015	**2014**
	$	**$**
Provision for income tax	-	11

Note 16. Current liabilities - provisions

	Consolidated	
	2015	2014
	$	$
Employee entitlements	-	39,799

Note 17. Equity - issued capital

	Consolidated			
	2015	2014	2015	2014
	Shares	Shares	$	$
Ordinary shares - fully paid	142,935,697	65,558,073	16,099,980	12,748,627

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2013	48,784,291		9,649,537
Issued of fully paid ordinary shares	12 December 2013	141,666,667	$0.012	1,700,000
Issued of fully paid ordinary shares	17 December 2013	108,333,335	$0.012	1,300,000
Employee share based payment	17 December 2013	15,723,897	$0.010	160,384
Consolidation of share capital (1:5)	20 January 2014	(251,606,367)	$0.000	-
Issued of fully paid ordinary shares	3 March 2014	2,656,250	$0.080	212,500
Costs of capital raising		-	$0.000	(273,794)
Balance	30 June 2014	65,558,073		12,748,627
Issue of fully paid ordinary shares	11 August 2014	9,800,000	$0.055	539,000
Issue of fully paid ordinary shares	30 September 2014	40,654,546	$0.055	2,236,000
Issue of fully paid ordinary shares	1 May 2015	26,923,078	$0.026	700,000
Costs of capital raising		-	$0.000	(123,647)
Balance	30 June 2015	142,935,697		16,099,980

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, retained earnings and reserves. Operating cash flows are used to maintain and expand the Group's assets, as well as to make the routine outflows of payables and tax.

The capital risk management policy remains unchanged from the 2014 Annual Report.

Note 18. Equity - reserves

	Consolidated	
	2015	**2014**
	$	**$**
Foreign currency reserve	125,291	(1,554,558)
Employee equity settled benefits	517,254	715,668
	642,545	(838,890)

Foreign currency reserve
Exchange differences relating to the translation of foreign controlled entities into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

The functional currency of the economic entity's foreign controlled entities are as follows:

- GBP for Primary Opinion Limited (UK)
- EUR for Primary Opinion GmbH
- USD for Primary Opinion Inc; and
- NOK (Norwegian Kroner) for Primary Opinion AS

Employee equity settled benefits reserve
Employee equity settled benefits reserve arises on the grant of share options to Directors and employees under the Primary Opinion incentive option scheme. Amounts are transferred out of the reserve and into issued capital when the options are exercised.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Employee equity settled benefits $	Foreign currency translation $	Total $
Balance at 1 July 2013	683,029	(1,500,759)	(817,730)
Exchange differences arising on translation of foreign operations	-	(53,799)	(53,799)
Share based payment	32,639	-	32,639
Balance at 30 June 2014	715,668	(1,554,558)	(838,890)
Exchange differences arising on translation of foreign operations	-	144,855	144,855
Loss reclassified to profit or loss on disposal of foreign operations	-	1,534,994	1,534,994
Share based payment	41,686	-	41,686
Transfer to accumulated losses	(240,100)	-	(240,100)
Balance at 30 June 2015	517,254	125,291	642,545

Note 19. Equity - dividends

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Note 19. Equity - dividends (continued)

Franking credits

	Consolidated	
	2015	2014
	$	$
Franking credits available for subsequent financial years based on a tax rate of 30%	4,945,018	4,945,018

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 20. Financial instruments

Financial risk management objectives
The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, retained earnings and reserves. Operating cash flows are used to maintain and expand the Group's assets, as well as to make the routine outflows of payables and tax.

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. These activities expose the Group to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group does not have formal documented policies and procedures for the management of risk associated with financial instruments. However, the Board has responsibility for managing the different types of risks to which the Group is exposed. These responsibilities include considering risk and monitoring levels of exposure to interest rate risk, foreign exchange rate risk and by being aware of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through general business budgets and forecasts.

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2015	2014	2015	2014
Consolidated	$	$	$	$
USD	45,595	1,035	-	(6,920)
EUR	7,992	41,767	(1,067)	(37,792)
GBP	318,230	1,612,299	(228,721)	(695,411)
NOK	13,659	51,355	(2,844)	(31,597)
	385,476	1,706,456	(232,632)	(771,720)

Sensitivity Analysis

Note 20. Financial instruments (continued)

The following sensitivity analysis is based on the foreign currency rate risk exposures in existence at reporting date.

At 30 June 2015, if the Australian dollar moved, as illustrated in the table below, with all other variables held constant, post-tax loss and equity would have been affected as follows:

	AUD strengthened			AUD weakened		
Consolidated - 2015	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
AUD/USD	5%	(2,280)	(2,280)	10%	4,560	4,560
AUD/EUR	5%	(453)	(453)	10%	906	906
AUD/GBP	5%	(4,480)	(4,480)	10%	8,960	8,960
AUD/NOK	5%	(541)	(541)	10%	1,081	1,081
		(7,754)	(7,754)		15,507	15,507

	AUD strengthened			AUD weakened		
Consolidated - 2014	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
AUD/USD	10%	(589)	589	5%	294	(294)
AUD/EUR	10%	398	(398)	5%	(199)	199
AUD/GBP	10%	91,689	(91,689)	5%	(45,844)	45,844
AUD/NOK	10%	1,976	(1,976)	5%	(988)	988
		93,474	(93,474)		(46,737)	46,737

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The Group's exposure to market interest rates relates primarily to the Group's cash and short term deposits held.

Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the statement of financial position date.

At 30 June, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax-loss and equity would have been affected as follows:

	Basis points increase			Basis points decrease		
Consolidated - 2015	**Basis points change**	**Effect on profit before tax**	**Effect on equity**	**Basis points change**	**Effect on profit before tax**	**Effect on equity**
Bank deposits	100	4,141	4,141	(50)	(2,071)	(2,071)

	Basis points increase			Basis points decrease		
Consolidated - 2014	**Basis points change**	**Effect on profit before tax**	**Effect on equity**	**Basis points change**	**Effect on profit before tax**	**Effect on equity**
Bank deposits	100	15,962	15,962	(50)	(7,981)	(7,981)

Note 20. Financial instruments (continued)

Credit risk
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any allowance for impairment losses, as disclosed in the statement of financial position and notes to the financial report.

The Group trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables. It is the Group's policy to consider the credit worthiness of all customers who wish to trade on credit terms.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk.

Liquidity risk
The Group manages liquidity risk by monitoring cash flow and maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2015	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	353,982	-	-	-	353,982
Total non-derivatives		353,982	-	-	-	353,982

Consolidated - 2014	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-%	1,095,348	-	-	-	1,095,348
Total non-derivatives		1,095,348	-	-	-	1,095,348

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
The directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

There were no financial instruments that are measured subsequent to initial recognition at fair value as at reporting date.

Note 20. Financial instruments (continued)

The fair values of financial assets and liabilities, together with their carrying amounts in the statement of financial position, for the consolidated entity are as follows:

	2015		2014	
Consolidated	**Carrying amount $**	**Fair value $**	**Carrying amount $**	**Fair value $**
Assets				
Cash and cash equivalents	414,281	414,281	1,596,185	1,596,185
Trade and other receivables	97,177	97,177	438,281	438,281
	511,458	511,458	2,034,466	2,034,466
Liabilities				
Trade and other payables	353,982	353,982	1,095,348	1,095,348
	353,982	353,982	1,095,348	1,095,348

Note 21. Key management personnel disclosures

Directors
The following persons were directors of Primary Opinion Limited during the financial year:

Harvey C Parker	Chairman and Independent Non-Executive Director (Resigned 28 November 2014)
Hon Jeffrey G Kennett AC	Non-Executive Director
Tom SP Kiing	Non-Executive Director
Martin Burke	Managing Director and CEO

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2015 $	**2014 $**
Short-term employee benefits	478,016	595,554
Post-employment benefits	11,275	31,451
Termination benefits	-	84,615
Share-based payments	-	193,115
	489,291	904,735

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the company, and unrelated firms:

	Consolidated	
	2015	**2014**
	$	**$**
Audit services - Deloitte Touche Tohmatsu		
Audit or review of the financial statements	60,575	51,500
Other services - Deloitte Touche Tohmatsu		
Preparation of the tax return	-	9,000
	60,575	60,500
Audit services - unrelated firms		
Audit or review of the financial statements	18,158	14,771
Other services - unrelated firms		
Other services	36,211	18,356
	54,369	33,127

Note 23. Related party transactions

Parent entity
Primary Opinion Limited is the parent entity of the Group.

Subsidiaries
Interests in subsidiaries are set out in note 25.

Joint ventures
Interests in joint ventures are set out in note 26.

Key management personnel
Disclosures relating to key management personnel are set out in note 21 and the remuneration report in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2015	**2014**
	$	**$**
Other income:		
Proceeds received from sale of non-current asset to Sportsco Pty Ltd, at market rate.	-	(1,500)
Payment for goods and services:		
Rental charges paid to Sportsco Pty Ltd	-	10,916
Service fees paid to Sportsco Pty Ltd	-	17,146
Service fees paid to beyondblue Ltd	-	85,136

Mr Tom Kiing is a major shareholder of Sportsco Pty Ltd and a director of Primary Opinion Limited.

Note 23. Related party transactions (continued)

The Honourable Jeffrey C Kennett is a Director of Primary Opinion Ltd as well as the Chairman of beyondblue Ltd. During the 2013 financial year Primary Opinion Ltd entered into an agreement to develop a new risk management and moderation solution for beyondblue's online communities and other social media sites. Primary Opinion's agreement with beyondblue includes an initial build phase as well as the provision of support services extending out to 31 March 2014. Primary Opinion adopted normal commercial terms and conditions and applied prevailing market rates when providing services to beyondblue.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Subsequent to year end, entities associated with Jeff Kennett and Tom Kiing provided loan facilities of $200,000 and $400,000 to the parent entity. Refer to Note 27.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 24. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	2015 $	2014 $
Loss after income tax	(4,820,109)	(2,515,491)
Total comprehensive income	(4,820,109)	(2,515,491)

Statement of financial position

	2015 $	2014 $
Total current assets	76,926	1,791,275
Total assets	77,632	1,796,111
Total current liabilities	73,433	364,841
Total liabilities	73,433	364,841
Equity		
Issued capital	16,099,980	12,748,627
Employee equity settled benefits	517,257	475,571
Accumulated losses	(16,613,038)	(11,792,928)
Total equity	4,199	1,431,270

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
On 30 June 2011, Primary Opinion Ltd, entered into a Cash Pool Agreement with Jumbuck Entertainment AS agreeing to provide financial support to this subsidiary in the event of any net equity deficiency in future periods.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2014 and 30 June 2015.

Note 24. Parent entity information (continued)

Capital commitments - Property, plant and equipment
There were no commitments for the acquisition of property, plant and equipment by the parent entity during the year (2014: NIL).

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 25. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**2015 %**	**2014 %**
Primary Opinion Limited	UK	100.00%	100.00%
Jumbuck International Pty Ltd *	Australia	-%	100.00%
Jumbuck Entertainment GmbH	Germany	100.00%	100.00%
Jumbuck Entertainment Inc.	USA	100.00%	100.00%
JMB No. 1 Pty Ltd *	Australia	-%	100.00%
JMB Communications Pty Ltd *	Australia	-%	100.00%
Jumbuck Entertainment AS ***	Norway	100.00%	100.00%
Jumbuck Entertainment LLC**	USA	-%	100.00%

* On 27 August 2014 Jumbuck International Pty, JMB No 1 Pty and JMB Communications Pty Ltd were deregistered.
** On 19 November 2014 Jumbuck Entertainment LLC was deregistered..
*** On 26 August 2015 Jumbuck Entertainment AS was deregistered.

Note 26. Interests in joint ventures

The Company held a 50 per cent equity shareholding with equivalent voting power in a joint venture company, Floodplains Pty Ltd (Mylevel). During the year the joint venture company was deregistered. The Group's share of revenue, expenses, assets and liabilities are not material.

Note 27. Events after the reporting period

Subsequent to the end of the financial year, the Company entered into Facility Agreements with entities associated with two of its directors for the provision of $600,000 in loan funds. On 28 September the Company announced that it had fully drawn down the available loan funds. On 28 September 2015, the Company held a general meeting of shareholders at which it received approval from shareholders to convert of these loan funds into convertible notes.

At the same general meeting the Company also received shareholder approval for its prior issue of 27,000,000 fully paid ordinary shares in April 2015. These shares were issued without prior shareholder approval pursuant to ASX listing rule 7.1. By obtaining retrospective shareholder approval the Company reinstated its capacity to issue up to 15% of its existing share capital in a 12 month period under listing rule 7.1, and the additional 10% capacity under listing rule 7.1A.

On 26 August 2015 Jumbuck Entertainment AS was deregistered.

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 28. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2015	**2014**
	$	**$**
Loss after income tax benefit for the year	(6,639,879)	(2,343,895)
Adjustments for:		
Depreciation and amortisation	349,178	39,885
Impairment of intangibles	824,203	-
Net loss on disposal of non-current assets	6,450	64,623
Share-based payments	41,686	193,023
Foreign exchange differences	1,534,994	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	341,103	211,119
Decrease/(increase) in prepayments	133,826	(139,858)
Decrease in provisions	(39,799)	(167,580)
Decrease in trade creditors and accruals	(696,210)	6,259
Decrease in current tax assets	-	350,000
Decrease in current tax liabilities	(11)	(12,416)
Net cash used in operating activities	(4,144,459)	(1,798,840)

Note 29. Earnings per share

	Consolidated	
	2015	**2014**
	$	**$**
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Primary Opinion Limited	(5,221,106)	(1,866,928)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	109,656,538	39,403,598
Weighted average number of ordinary shares used in calculating diluted earnings per share	109,656,538	39,403,598
	Cents	**Cents**
Basic earnings per share	(4.76)	(4.74)
Diluted earnings per share	(4.76)	(4.74)

	Consolidated	
	2015	**2014**
	$	**$**
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Primary Opinion Limited	(1,418,773)	(476,967)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	109,656,538	39,403,598
Weighted average number of ordinary shares used in calculating diluted earnings per share	109,656,538	39,403,598

Note 29. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(1.29)	(1.21)
Diluted earnings per share	(1.29)	(1.21)

	Consolidated	
	2015	2014
	$	$
Earnings per share for loss		
Loss after income tax attributable to the owners of Primary Opinion Limited	(6,639,879)	(2,343,895)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	109,656,538	39,403,598
Weighted average number of ordinary shares used in calculating diluted earnings per share	109,656,538	39,403,598

	Cents	Cents
Basic earnings per share	(6.06)	(5.95)
Diluted earnings per share	(6.06)	(5.95)

Note 30. Share-based payments

Primary Opinion Limited had established an employee option plan called the Primary Opinion Incentive Option Scheme ("Scheme"). The Scheme was designed to provide a long-term incentive for employees and Directors of Primary Opinion Limited. It allowed them to participate in Primary Opinion Limited's future growth and provides them with an incentive to increase profitability and returns to shareholders. Full time employees, part-time employees, directors and contractors of Primary Opinion Limited and controlled entities were eligible to participate in the Scheme. Notwithstanding their eligibility to participate, the Directors had elected not to do so and instead submit recommendations for the grant of options for shareholder approval pursuant to ASX Listing Rule 10.17.

The entitlement of eligible participants under the Scheme was at the absolute discretion of the Directors. The exercise price of each option offered pursuant to the Scheme is also at the discretion of the Directors. The total number of options which may be issued under the Scheme may not exceed 5% of the total number of issued shares in Primary Opinion Ltd as at the time of the proposed offer or issue.

The options hold no voting or dividend rights, and are not transferable.

Set out below are summaries of options granted under the plan:

2015

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
17/12/2013	13/12/2018	$0.060	1,258,033	-	-	-	1,258,033
17/12/2013	13/12/2019	$0.060	1,258,033	-	-	-	1,258,033
17/12/2013	13/12/2020	$0.060	1,258,033	-	-	-	1,258,033
			3,774,099	-	-	-	3,774,099
Weighted average exercise price			$0.060	$0.000	$0.000	$0.000	$0.060

Note 30. Share-based payments (continued)

2014

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Consolidation of options	Expired/ forfeited/ other	Balance at the end of the year
20/10/2010	20/04/2014	$0.500	100,000	-	-	(100,000)	-
20/10/2010	20/04/2015	$0.550	100,000	-	-	(100,000)	-
17/12/2013	13/12/2018	$0.060	-	6,290,163	(5,032,130)	-	1,258,033
17/12/2013	13/12/2019	$0.060	-	6,290,163	(5,032,130)	-	1,258,033
17/12/2013	13/12/2020	$0.060	-	6,290,163	(5,032,130)	-	1,258,033
			200,000	18,870,489	(15,096,390)	(200,000)	3,774,099
Weighted average exercise price			$0.525	$0.060	$0.060	$0.525	$0.060

Details of share options held by employees, former employees, consultants and former Directors outstanding as at end of year:

Grant date	Vesting date	Share price at grant date	Exercise price	Fair value at grant date
17/12/2013	17/12/2014	$0.105	$0.060	$0.026
17/12/2013	17/12/2015	$0.105	$0.060	$0.027
17/12/2013	17/12/2016	$0.105	$0.060	$0.023

There are no EPS hurdles attached to the options granted, however, there are market conditions as follows: -

a) The option vesting is conditional on the share price of Primary Opinion reaching $0.017 per share within the vesting period.
b) The option vesting is conditional on the share price of Primary Opinion reaching $0.057 per share within the vesting period.
c) The option vesting is conditional on the share price of Primary Opinion reaching $0.100 per share within the vesting period.

The Company consolidated its share capital in January 2014, issuing 1 new share to replace every 5 shares on issue. The same ratio was applied to share options, reducing the number of options on issue.

Note 31. Variation from Appendix 4E Preliminary Final Report

An adjustment has been made to the figures presented in the 30 June 2015 Appendix 4E and Preliminary Final Report which was lodged with the ASX on 31 August 2015.

The audit continued to be in progress at 31st August 2015 and the results lodged at this time were unaudited. Following the finalisation of the audit a further adjustment has been made in accordance with AASB136. Under the requirements of this standard management have included an impairment of the prepayment balance previously reported.

The Audited Annual Report includes a prepayment impairment amounting to $153,309 which results in a reduction of the net asset position of the company from $393,422 to $240,113 and an increase in the loss for the year of $153,309.

The impairment arises as a result of lower sales achieved in the year ended 30 June 2015 and an impairment review will be carried out at 31 December 2015 where it is forecast that increased sales will result in this impairment being re-assessed in the coming period.

Primary Opinion Limited
Directors' declaration
30 June 2015

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

The Hon Jeffrey G Kennett AC
Chairman

30 September 2015

Deloitte.

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Independent Auditor's Report to the Members of Primary Opinion Ltd

Report on the Financial Report

We have audited the accompanying financial report of Primary Opinion Ltd, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 16 to 54.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Deloitte.

Auditor's Independence Declaration

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

Opinion

In our opinion:

(a) the financial report of Primary Opinion Ltd is in accordance with the *Corporations Act 2001*, including:

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

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

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

Material Uncertainty Regarding Continuance as a Going Concern

Without modifying our opinion, we draw attention to Note 2 in the financial report which states that the consolidated entity incurred a net loss of $6,639,879 and incurred negative cash flows from operating and investing activities of $4,533,257 during the period ended 30 June 2015. As at 30 June 2015, the consolidated entity had accumulated losses of $16,502,412 and cash reserves of $414,281. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's and the company's ability to continue as going concerns and therefore, the consolidated entity and the company may be unable to realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 12 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

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

DELOITTE TOUCHE TOHMATSU

Gerard Belleville
Partner
Chartered Accountants
Melbourne, 30 September 2015

Primary Opinion Limited
Shareholder information
30 June 2015

The shareholder information set out below was applicable as at 11 September 2015.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	510
1,001 to 5,000	208
5,001 to 10,000	54
10,001 to 100,000	108
100,001 and over	101
	981
Holding less than a marketable parcel	835

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
SIEANA PTY LTD	28,702,952	20.08
PICTON COVE PTY LTD	11,769,231	8.23
FORDHOLM CONSULTANTS PTY LTD (DIANA BOEHME SUPER FUND A/C)	7,324,591	5.12
MR MARTIN BURKE	7,175,083	5.02
JEFF KENNETT PTY LTD (JGK SUPER FUND A/C)	6,535,617	4.57
RUBI HOLDINGS PTY LTD (JOHN RUBINO S/F A/C)	5,769,231	4.04
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	5,667,896	3.97
CVC LIMITED	4,608,027	3.22
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,590,501	2.51
BRINCLIFF PTY LTD (BRINCLIFF SUPER FUND A/C)	3,356,642	2.35
SEAVIEW CRES PTY LTD (SEAVIEW SUPER A/C)	2,968,180	2.08
BUNGEELTAP PTY LTD (H & B ROBERTSON S/F A/C)	2,525,642	1.77
MR NICHOLAS KOTSIRAS + MRS ANGELA KOTSIRAS	2,500,000	1.75
MR PETER CHARLES PRITCHARD FARRIS + MRS SUSAN MARY PATRICIA FARRIS (THE PETER FARRIS S/F A/C)	2,000,000	1.40
FIRST INVESTMENT PARTNERS PTY LTD	2,000,000	1.40
BILLTED INVESTMENTS PTY LTD	1,923,077	1.35
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,718,180	1.20
SILVAN BOND PTY LTD	1,666,667	1.17
NTJ INVESTMENTS PTY LTD (NTJ INVESTMENT A/C)	1,550,000	1.08
MR DALE ALLAN BRYAN + MRS TRACY TZU-LEI BRYAN (BRYAN INVESTMENT A/C)	1,525,000	1.07
	104,876,517	73.38

Unquoted equity securities
There are no unquoted equity securities.

Primary Opinion Limited
Shareholder information
30 June 2015

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	**% of total shares issued**
SIEANA PTY LTD	28,702,952	20.08
PICTON COVE PTY LTD	11,769,231	8.23
MR JEFFREY KENNETT	7,353,172	5.14
FORDHOLM CONSULTANTS PTY LTD (DIANA BOEHME SUPER FUND A/C)	7,324,591	5.12
MR MARTIN BURKE	7,175,083	5.02

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options do not carry voting rights.