18 August 2015

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By E-Lodgement

JCurve's Annual Financial Results

Results for Announcement to the Market

The operating results for the year to 30 June 2015 are shown with comparisons to the previous corresponding period, being the year ended 30 June 2014.

	Year ended 30 June 2015 $	Year ended 30 June 2014 $	Percentage increase / (decrease) over previous corresponding period
Revenue from continuing operations	11,343,889	11,637,193	3% decrease
Earnings/(Loss) before interest, taxation, depreciation & amortisation (**EBITDA**)	(6,082,687)	(1,211,523)	402% decrease
Net loss after tax (from continuing operations only)	(5,622,893)	(1,424,796)	295% decrease
Profit/(loss) from ordinary activities after tax attributable to members	(5,622,893)	(1,424,796)	295% decrease
Net profit/(loss) for the period attributable to members	(5,622,893)	(1,424,796)	295% decrease

Dividends

No dividends were paid during the financial year. The Board advises that it does not intend to declare a final dividend for the financial year, and it will consider reinstating the dividend policy in the future.

Net Tangible Assets / Earnings Per Share

	30 June 2015	30 June 2014
Net tangible assets per ordinary share for continuing operations	0.0007 cents	0.17 cents
Basic loss per ordinary share for continuing operations	(1.72) cents	(0.60) cents

Independent Audit Report

The information outlined above is presented in accordance with ASX Listing Rule 4.3A and the *Corporations Act 2001* (**Corporations Act**). The Appendix 4E is based on the audited Annual Financial Report for the year ended 30 June 2015. The Independent Audit Report is included in the Annual Financial Report attached.

Accounting Policies, Estimation Methods and Measurements

The accounting policies, estimation methods and measurement bases used in the Appendix 4E is the same as those used in the previous annual report and half-year report.

Explanation of Result

Revenue declined 3% to $11.3 million compared to $11.6 million for the previous year. Revenue exceeds the guidance provided to the market in February of Revenue in the range of $10.8 to $10.9 million. The main reason for the decline in revenue on 2014 was the decline in IBM license sales in the exited JConnects business, and the loss of the South African telco customer in the JTel Business Unit.

The following are comments on the group revenue streams:

1. The TEMs revenue has increased year on year reflecting a full year of Full Circle revenue. We have experienced price pressure on our products during the year; management have responded by initiating productivity gains and cost savings within that area
2. Our South African TEMS revenue stream has been lost and the current reporting reflects run-off income
3. JCurve revenue has increased by $2 million year on year. Our focus has been to ensure that our offerings are sustainable. To this end we are focusing on the wholesale distribution vertical to build momentum rather than trying to please all comers.
4. We have sold the JConnects business as it was an area that drew attention away from our main areas of business.

Millions	Year ended 30-Jun-15 $	Year ended 30-Jun-14 $
Revenue	11.3	11.6
EBITDA loss	(6.1)	(1.2)
Impairment	5.2	0.5
Income Tax expense (includes rebate for Research and Development)	0.6	(0.1)
EBITDA (before impairment and after income tax expense)	(0.3)	(0.8)

The financial performance for the year has been disappointing but we are pleased that we have been able to report year end results within guidance of a loss of $0.3 – $0.5 million. The major impact for this year has been the assessment by the Board to write down the carrying value of certain Intangible Assets by $5.2 million. A full breakdown is available in Note 11 to the Financial Report. The main reason for this impairment is that the Board has taken a more conservative view of the future cash flows from these assets.

Yours faithfully

Bruce Hatchman
Chairman

1800 528 783 jcurvesolutions.com Level 4, 22 Atchison Street, St Leonards NSW 2065

JCurve Solutions Limited

Annual Financial Report
For the year ended 30 June 2015

JCurve Solutions Limited
ABN 63 088 257 729
Level 4, 22 Atchison Street
Sydney NSW 2065
[T] +61 2 9467 9200 | [F] +61 2 9467 9201

Contents

CORPORATE INFORMATION

ABN 63 088 257 729

Directors
Mr Bruce Hatchman
Mr Graham Baillie
Mr Mark Jobling
Mr David Franks

Company Secretary
Mr David Franks

Registered office
Level 4, 22 Atchison Street
St Leonards
New South Wales 2065
Ph. (02) 9467 9200

Principal place of business
Level 4, 22 Atchison Street
St Leonards
New South Wales 2065
Ph. (02) 9467 9200

Share Register
Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000
Ph. (08) 9323 2000

Solicitors
Laycock Burke Castaldi Lawyers
Level 1, 31-33 Watt Street
Newcastle NSW 2300
Ph. (02) 4926 1733

Auditors
HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000
Ph. (08) 9227 7500

Securities Exchange Listings
Australian Securities Exchange
ASX Code: JCS

Website
www.jcurvesolutions.com

CHAIRMAN'S LETTER

Dear Shareholder,

This letter is my first direct communication to all shareholders since I joined the Board in late November 2014. During the eight months of my tenure there has been significant activity and change within JCurve Solutions. The following is a brief summary of the material matters that have been undertaken by the Board.

1. During the last twelve months there has been a significant change in the composition of the Board. Most recently we have been fortunate to recruit Mark Jobling to the Board. Mark is an experienced businessman and qualified lawyer, and a long term supportive shareholder of your company.
2. At the end of 2014 Graham Baillie changed his role in the company to that of Non-Executive Director and Mark Thompson filled the CEO role for a short period.
3. In January 2015 we were pleased to appoint Stephen Canning to the role of CEO. Stephen is an experienced executive and has extensive experience in the technology space at both the technical level and in senior management. Stephen has hit the ground running hard and has proven to be an excellent addition to the team.

In January 2015 the Board commenced a detailed review of the strategic plan for the company together with the governance structure. This process has resulted in an overhaul of internal systems and procedures. The outcome has been that the financial reporting and policies and procedures within the company now allow management and the Board to measure risk and performance across all operational areas.

The strategic review has required more time than originally expected, but there are positive outcomes emerging from this process, and they include:

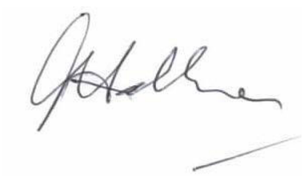
a. Realignment of senior corporate roles to avoid unnecessary duplication
b. Rationalisation within the TEMs sector to bring together the teams of both JTel and Full Circle. This is a work in progress but structural improvements to the team continue.
c. The JCurve division has delivered improved performance during the year, and the work on strategic direction is showing that we need to be more focused in our market positioning. Our plans for JCurve are nearing completion and we look forward to presenting our vision to Shareholders at the Annual General Meeting.

NPAT was a loss of $5,622,893. The major impact for this year has been the assessment by the Board to write down the carrying value of certain intangible assets by $5,167,008. A full breakdown is available in Note 11 to the Financial Report. The main reason for this impairment is that the Board has taken a more conservative view of the future cash flows from these assets. The financial performance for the year has been disappointing, but we are pleased to report that the year end result, before impairment, was within the guidance of a loss of $300,000 – $500,000.

The following are comments on the group revenue streams:

1. The TEMs revenue has increased year on year reflecting a full year of Full Circle revenue. We have experienced price pressure on our products during the year management have responded by initiating productivity gains and cost savings within that area
2. Our South African revenue stream has been lost and the current reporting reflects run-off income
3. JCurve revenue has increased by $2 million year on year. Our focus has been to ensure that our offerings are sustainable. To this end we are focussing on the wholesale distribution vertical to build momentum rather than trying to please all comers.
4. We have sold the JConnects business as it was an area that drew attention away from our main areas of business.

I would like to thank management and shareholders for their continued support through this era of consolidation. As our strategic projects are sufficiently completed we will advise all stakeholders through a general ASX release.



Bruce Hatchman
Chairman

DIRECTORS' REPORT

Your directors submit the annual financial report of the consolidated entity for the financial year ended 30 June 2015. In order to comply with the provisions of the Corporations Act, the Directors Report is as follows:

Directors

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Bruce Hatchman FCA MAICD JP (Non-Executive Chairman) Appointed 27th November 2014

Mr Hatchman is an experienced and successful finance professional. He is currently the Chairman of Armidale Investment Corporation Limited, Darwin Clean Fuels Limited, Suters Holdings Pty Ltd, and independent Advisory Board Chairman of the law firm Hunt & Hunt.

As the former Chief Executive of Crowe Horwath, Mr Hatchman has 40 years' experience in providing audit and assurance services to listed companies and large private enterprises. He is a qualified Chartered Accountant and a member of the Australian Institute of Company Directors.

Graham Baillie FAICD (Non-Executive Director) Ceased as Executive Chairman 27th November 2014, Appointed Non-Executive Director 27th November 2014.

Mr Baillie joined the Company in September 2007 as a non-executive Director and held the appointments of Chairman from May 2012 until December 2013, Managing Director from December 2013 until 21st July 2014 and Executive Chairman from 21st July 2014 until 27th November 2014 when he moved to the Non-Executive Director role which he currently holds.

In 1994, Mr Baillie established Outsource Australia Pty Ltd (OSA) to provide outsourcing services to the Australian market. In his capacity as majority shareholder and Chief Executive Officer he developed the company nationally and internationally. Today OSA is known as Converga.

Prior to this, Mr Baillie was with AUSDOC during its formative years through to its ultimate ASX listing in September 1993. In this time he was not only integral to the development of the company throughout Australia but was also involved in establishing similar business operations in New Zealand, USA and United Kingdom.

David Franks B.Eco, CA (Non-Executive Director and Company Secretary) Appointed 15th September 2014

Mr Franks joined the company in 2014 as Company Secretary/Non-Executive Director. With over 20 years' experience in finance and accounting, Mr Franks has been CFO, Company Secretary and/or Director for numerous ASX listed and unlisted companies.

Mr Franks is a Chartered Accountant, Fellow of the Financial Services Institute of Australia, Justice of Peace, Registered Tax Agent and holds a Bachelor of Economics (Finance and Accounting) from Macquarie University.

Mark Jobling B. Eco, B Laws (Hons) (Non-Executive Director) Appointed 8th April 2015

Mr Jobling is a substantial shareholder of the Company and holds a Bachelor of Economics and Bachelor of Laws (Hons) from Monash University. Mr Jobling manages investments in a diverse range of industries including power technology and angel investing in Asian start-up companies and is currently based in Hong Kong.

He began his career as a commercial lawyer with Mallesons Stephen Jaques in Australia and went on to hold senior executive roles in multi-billion dollar companies, including Managing Director of South East Asia and Taiwan for CLP Holdings Limited, and CEO of OneEnergy Limited, a CLP/Mitsubishi Corporation joint venture in Asia.

Chris Gabriel MBA, LLB, B. Bus, CPA, FAICD, FGIA (Non-Executive Director) Resigned 15th September 2014

Mr Gabriel background includes a wealth of experience from senior leadership roles in the IT and telecommunications sectors both within Australia and internationally, particularly in Africa and the Middle East.

John Bond B.Com, B.Juris, B Laws, FAICD (Non-Executive Director) Resigned 27th November 2014

Mr Bond's background spans law, investment banking as well as property investment and development. As a professional property investor, he has over 20 years' experience in negotiating acquisitions, overseeing the development of properties and asset management.

Nihal Gupta, Resigned 21 July 2014.
Mr Gupta was Chairman from October 2013 until his resignation in July 2014.

DIRECTORS' REPORT (continued)

Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of JCurve were:

	Ordinary Shares	Options over Ordinary Shares
G Baillie	83,124,215	35,714,284
M Jobling	51,204,301	-
	134,328,516	35,714,284

During the financial year no share options were granted as remuneration.

	Number of options granted as remuneration	Number of options over ordinary shares held at date of this report
Director:		
G Baillie	-	35,714,284
Total	-	35,714,284

Details of unissued ordinary shares under options are as follows:

	Number of options	KMP option holdings	Exercise price	Expiry date
JCurve Solutions Ltd	8,928,571	8,928,571	$0.000001	31 March 2016
JCurve Solutions Ltd	8,928,571	8,928,571	$0.000001	31 March 2017
JCurve Solutions Ltd	8,928,571	8,928,571	$0.000001	31 March 2018
JCurve Solutions Ltd	8,928,571	8,928,571	$0.000001	31 March 2019
Total	35,714,284	35,714,284		

No ordinary shares were issued during the financial year as a result of the exercise of an option.

Dividends

No dividends were declared or paid during the financial year ended 30 June 2015.

Principal activities

The principal activities of the Group during the year were two-fold:

1) the sale of a cloud-based Business Management solution targeted at the small business market in Australia and New Zealand, together with associated consulting services (JCurve Business Software); and

2) the development and marketing of Telecommunications Expense Management Solutions (JTEL and Full Circle Group).

Review of operations

Following the acquisitions of JCurve Business Software and Full Circle Group in 2014, these acquisitions have been fully integrated into the business structure. In the case of JCurve, this has not produced the desired returns to date which has resulted in significant impairment charges which have impacted the results of the Group as announced in the first half. The Full Circle acquisition has also underperformed to original expectations, however, this underperformance has not given rise to any impairment charges.

In the review of operations last year, significant investment in product development and marketing activities associated with rebranding from Stratatel to JCurve was reported. This has delivered good results in terms of customer awareness and contributed towards improved lead generation and revenue for JCurve Business Software.

In January 2015 a new CEO was appointed to take control of the business and evaluate areas where the business was not performing. The review has focused initially on JCurve and the recurring revenue associated with the exclusive Netsuite reseller agreement. The outcome of this review is continuing and an update will be provided to the market upon completion of this review.

Similarly a review of the TEMS (Telecommunications Expense Management) is underway. This incorporates a review of the former Stratatel business (JTel) and addressing the underperformance of Full Circle. The impact of savings resulting from redundancies in June 2014 and further redundancies in October 2014, which were largely in the TEMS area, have led to improved results on the back of the loss of the South African telco contract which had a major impact on revenues. The TEMS businesses also have the benefit of new products MaaS360 and Wandera which were added to the product range in February 2015, however, returns to date on these new product lines have been minimal.

With the reviews of both JCurve and TEMS businesses nearing completion, the Company approaches 2016 with optimism and anticipates improved revenue performance in 2016 on a normalised basis.

Operating results for the year

The financial performance of the Group deteriorated with a net loss after tax (NPAT loss) from continuing operations of $5.6 million for year ended 30 June 2015 (2014: $1.4m loss). EBITDA was a loss of $6.1 million (2014: $1.2 million).

The major impact for this year has been the assessment by the Board to write down the carrying value of certain Intangible Assets by $5.2 million. A full breakdown is available in Note 11 to the Financial Report. The main reason for this impairment is that the Board has taken a more conservative view of the future cash flows from these assets. Excluding the impact of impairment, the NPAT loss was within market guidance of a loss of $0.3 - $0.5 million.

Shareholder returns

No dividends have been paid to shareholders since the start of the financial year.

Risk management

The Board is committed to the identification and quantification of risk. Directors receive regular reports from management on areas where significant business risk or exposure concentrations may exist and on the management of those risks.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the consolidated entity to the date of this report.

Significant events after balance date

There were no significant events after balance date that have occurred and have not been otherwise disclosed in this Annual Report.

Likely developments and expected results

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Therefore, this information has not been presented in this report.

Environmental legislation

The consolidated entity is not subject to any significant environmental legislation.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the directors and officers for any breach of laws and regulations arising from their role as directors and officers. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

JCurve has not indemnified or agreed to indemnify an auditor of the Company or any related body corporate against liability incurred as an auditor.

DIRECTORS' REPORT (continued)

Remuneration report (Audited)

This report outlines the remuneration arrangements in place for directors and executives of JCurve Solutions Limited (the "Company").

Remuneration philosophy

The performance of the Company depends upon the quality of the directors and executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate performance hurdles for variable executive remuneration.

Remuneration committee

The Remuneration Committee role, until 25 February 2015 was undertaken by the full Board of directors of the Company and was responsible for determining and reviewing compensation arrangements for the directors and the executive management team. Since 26 February 2015, a separate Remuneration Committee was established. This separate committee was in compliance with the ASX Corporate Governance Principles and Recommendations up to 27 April 2015, however thereafter it has not comprised a majority of independent directors.

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

Remuneration structure

In accordance with best practice Corporate Governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Company's constitution adopted at the AGM on 9 November 2010 specifies that the aggregate remuneration of non-executive directors shall be a maximum of $400,000 per year, and can be varied by ordinary resolution of the shareholders in General Meeting.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually.

The remuneration of non-executive directors for the year ended 30 June 2015 is detailed in Table 1 of this report.

Senior executive and executive director remuneration

Remuneration consists of fixed remuneration comprising base pay and benefits including superannuation.

This is reviewed annually by the Board. The process consists of a review of relevant comparative remuneration in the market internally and, where appropriate, external advice on policies and practices. The Board has access to external, independent advice if required.

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

An employee share plan was approved by shareholders at the Annual General Meeting held on 31 October 2013. Presently no shares have been allotted under this plan.

The remuneration of key management personnel and company executives for the year ended 30 June 2015 is detailed in Table 1 of this report.

Employment Contracts

Executive Chairman, Mr Graham Baillie, was employed from 9 December 2013 under a 2 year contract under which he was entitled to receive an annual salary of $280,000, including superannuation, plus an allowance for business and non-business expenses of $50,000 per annum. It was mutually agreed to cease this contract on 27th November 2014, prior to the end of the initial 2 year period, so that Mr Baillie could take up a non-executive directorship.

DIRECTORS' REPORT (continued)

Remuneration of key management personnel

Table1: Key Management Personnel remuneration for the year ended 30 June 2015: Directors

		Short-term employee benefits			Post employment	Equity	Total	
		Director's Fees $	Bonuses / Commission $	Other short term benefits $	Super-annuation $	Options $	$	Performance Related %
Directors								
G Baillie (1)	2014	238,915	-	10,391	18,168	-	267,474	-
Chairman (executive) / Director (non executive)	2015	130,523	-	-	11,862	-	142,385	-
B Hatchman (2)	2014	-	-	-	-	-	-	-
Chairman (non executive)	2015	52,039	-	-	4,944	-	56,983	-
D Franks (3)	2014	-	-	-	-	-	-	-
Director (non executive)	2015	47,071	-	-	4,942	-	52,013	-
M Fairclough (4)	2014	20,000	-	37,500(i)	1,850	-	59,350	-
Director (non executive)	2015	-	-	-	-	-	-	-
I Macliver (5)	2014	20,000	-	-	1,850	-	21,850	-
Director (non executive)	2015	-	-	-	-	-	-	-
J Bond (6)	2014	58,030	-	-	5,368	-	63,398	-
Director (non executive)	2015	24,385	-	-	2,317	-	26,702	-
C Gabriel (7)	2014	47,102	-	-	4,357	-	51,459	-
Director (non executive)	2015	15,000	-	-	1,425	-	16,425	-
N Gupta (8)	2014	69,970	-	20,000	5,085	-	95,055	-
Director (non executive)	2015	39,239	-	-	2,728	-	41,967	-
M Jobling (9)	2014	-	-	-	-	-	-	-
Director (non executive)	2015	15,000	-	-	-	-	15,000	-
Total Directors Fees	2014	454,017	-	67,891	36,678	-	558,586	-
Total Directors Fees	2015	323,257	-	-	28,218	-	351,475	-

(1) Mr Baillie served as non-executive Chairman from 1 July 2013 to 9 December 2013, Managing Director from 9 December 2013 to 21 July 2014, Executive Chairman from 21 July 2014 and non-executive Director from 27th November 2014. The Directors fees of $130,523 includes $43,451 of Director's fees paid to Millenium International Pty Ltd, a company owned by Mr Baillie.
(2) Appointed 27 November 2014
(3) Appointed 15 September 2014
(4) Resigned 31 October 2013
(5) Resigned 31 October 2013
(6) Resigned 27 November 2014
(7) Resigned 15 September 2014
(8) Appointed 31 October 2013, Resigned 21 July 2014
(9) Appointed 8 April 2015

DIRECTORS' REPORT (continued)

Remuneration of key management personnel (continued)

Table2: Key Management Personnel remuneration for the year ended 30 June 2015: Executives

		Short-term employee benefits			Post-employment	Equity	Total	
		Salary $	Bonuses / Commission $	Other short term benefits $	Super-annuation $	Options $	$	Perfor mance Related %
Executives								
J Butchers (1)	2014	261,828	10,000	3,531	17,775	-	293,134	3
Chief Financial Officer	2015	37,539	-	126,702	6,478	-	170,719	
J Slaiman (2)	2014	229,346	10,000	-	17,775	-	257,121	4
General Manager MTN	2015	189,512	32,500	55,522	17,937	-	295,471	11
A Simmons (3)	2014	9,000	-	-	833	-	9,833	-
General Manager JTEL	2015	209,152	-	223	14,664	-	224,039	-
M Thompson (4)	2014	51,885	-	-	4,799	-	56,684	-
General Manager JCBS	2015	117,083	-	-	10,774	-	127,857	-
S Canning (5)	2014	-	-	-	-	-	-	-
Chief Executive Officer	2015	132,821	-	-	9,392	-	142,213	-
B Doughty (6)	2014	-	-	-	-	-	-	-
Chief Financial Officer	2015	151,250	-	-	14,369	-	165,619	
Total Executive Rem.	2014	552,059	20,000	3,531	41,182	-	616,772	3
Total Executive Rem.	2015	837,357	32,500	182,447	73,614	-	1,125,918	3

(1) resigned 5 August 2014, bonus of $10,000 was paid in 2014 based on performance related KPIs
(2) resigned 31 March 2015, bonuses of $32,500 in 2015 was paid for relocating from Melbourne to Sydney, and $10,000 in 2014 was paid based on performance related KPIs
(3) resigned 8 April 2015
(4) resigned 30 January 2015
(5) appointed 12 January 2015
(6) appointed 1st August 2014

Table3: Options granted as part of remuneration during the year ended 30 June 2015

	Value of options granted $	Value of options exercised $	Value of options lapsed $	Total value of options granted, exercised and lapsed $	Value of options included in remuneration for the year $	% remuneration consisting of options for the year
J Butchers	-	-	-	-	-	-
J Slaiman	-	-	-	-	-	-
M Thompson	-	-	-	-	-	-
A Simmons	-	-	-	-	-	-
S Canning	-	-	-	-	-	-
B Doughty	-	-	-	-	-	-

For further details on options currently on issue, please refer to Note 16. There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

DIRECTORS' REPORT (continued)

KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Compensation options: Granted and vested during the year (Consolidated)

There was no share option scheme in place during the financial year. For further details relating to the options, refer to Note 16.

(b) Option holdings of Key Management Personnel (Consolidated)

30 June 2015	Balance at beginning of period	Granted as remune-ration	Options exercised	Net change Other #	Balance at end of period	Vested as at end of period: Exercisable	Vested as at end of period: Not Exercisable
Directors							
G Baillie	35,714,284	-	-	-	35,714,284	-	35,714,284
B Hatchman	-	-	-	-	-	-	-
J Bond	-	-	-	-	-	-	-
C Gabriel	-	-	-	-	-	-	-
N Gupta	-	-	-	-	-	-	-
D Franks	-	-	-	-	-	-	-
M Jobling	-	-	-	-	-	-	-
Executives							
J Butchers	-	-	-	-	-	-	-
J Slaiman	-	-	-	-	-	-	-
A Simmons	-	-	-	-	-	-	-
M Thompson	-	-	-	-	-	-	-
S Canning	-	-	-	-	-	-	-
B Doughty	-	-	-	-	-	-	-
Total	35,714,284	-	-	-	35,714,284	-	35,714,284

\# *Includes forfeitures, rights issue and balance on resignation*

30 June 2014	Balance at beginning of period	Granted as remune-ration	Options exercised	Net change Other #	Balance at end of period	Vested as at end of period: Exercisable	Vested as at end of period: Not Exercisable
Directors							
G Baillie	-	-	-	35,714,284	35,714,284	-	35,714,284
J Bond	-	-	-	-	-	-	-
C Gabriel	-	-	-	-	-	-	-
N Gupta	-	-	-	-	-	-	-
Executives							
J Butchers	300,000	-	-	(300,000)	-	-	-
J Slaiman	-	-	-	-	-	-	-
A Simmons	-	-	-	-	-	-	-
M Thompson	-	-	-	-	-	-	-
Total	300,000	-	-	35,414,284	35,714,284	-	35,714,284

\# *Includes forfeitures, rights issue and balance on resignation*

DIRECTORS' REPORT (continued)

KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

(c) Shareholdings of Key Management Personnel (Consolidated)

Ordinary shares held in JCurve Solutions Limited (number)

30 June 2015	Balance 01 Jul 14	Granted as remuneration	On Exercise of Options	Net Change Other *(1)*	Balance 30 Jun 15
Directors					
G Baillie	81,319,478	-	-	1,804,737	83,124,215
B Hatchman	-	-	-	-	-
J Bond	31,198,481	-	-	(31,198,481)	-
C Gabriel	-	-	-	-	-
N Gupta	4,064,020	-	-	(4,064,020)	-
D Franks	-	-	-	-	-
M Jobling	-	-	-	51,204,301	51,204,301
Executives					
J Butchers	197,698	-	-	(197,698)	-
J Slaiman	100,333	-	-	(100,333)	-
A Simmons	6,380,943	-	-	(6,380,943)	-
S Canning	-	-	-	2,000,000	2,000,000
B Doughty	-	-	-	1,571,320	1,571,320
Total	123,260,953	-	-	14,638,883	137,899,836

(1) Includes disposal of shares as well as number of shares held at date of resignation

30 June 2014	Balance 01 Jul 13	Granted as remuneration	On Exercise of Options	Net Change Other *(1)*	Balance 30 Jun 14
Directors					
G Baillie	9,890,907	-	-	71,428,571	81,319,478
M Fairclough	14,048,877	-	-	(14,048,877)	-
I Macliver	6,064,020	-	-	(6,064,020)	-
J Bond	31,198,481	-	-	-	31,198,481
C Gabriel	-	-	-	-	-
N Gupta	-	-	-	4,064,020	4,064,020
Executives					
J Butchers	197,698	-	-	-	197,698
J Slaiman	100,333	-	-	-	100,333
A Simmons	-	-	-	6,380,943	6,380,943
Total	61,500,316	-	-	61,760,637	123,260,953

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the company would have adopted if dealing at arm's length.

(1) Includes disposal of shares as well as number of shares held at date of resignation

DIRECTORS' REPORT (continued)

KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

Transactions with Directors

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year.

Purchases from Related Parties	2015 $	2014 $
Grange Consulting Group Pty Limited		
Corporate Consultancy	-	42,000
Secretarial Services	40,613	107,100
	40,613	149,100
Taos Creative Pty Ltd		
Digital marketing & consulting	240,500	378,870
	240,500	378,870
Alive Mobile Pty Ltd		
Analysis & product development	-	95,000
	-	95,000
Franks & Associates Pty Ltd		
Company secretarial services	74,011	-
	74,011	-
Millennium International Pty Ltd		
Corporate Consultancy	45,000	-
Directors Fees (included in Table 1)	43,452	-
	88,452	-
Outserve Aus Pty Ltd		
Professional Services	131,781	-
	131,781	-

JCurve Solutions Limited former Director Mr Ian Macliver is the Managing Director of Grange Consulting Group Pty Ltd, which provided corporate advisory services to the consolidated entity amounting to $42,000 net of GST in 2014.

The Company Secretary responsibilities up to 15th September 2014 were performed by Sarah Smith of Grange Consulting Group Pty Ltd. The company secretarial services provided by Grange Consulting include providing guidance on corporate compliance requirements pursuant to the Company's constitution, ASX Listing Rules and Corporations Act, assistance in drafting notices of meeting and announcements; Board documentation, and assistance with preparation of annual and half yearly financial reports. Company secretarial service fees for the year ended 30 June 2015 amounted to $40,613 net of GST (2014 $107,100).

Former Chairman and current Non-Executive Director Graham Baillie's step-daughter Sam Brown is currently the majority shareholder and Director of Taos Creative Pty Ltd, which specialise in digital marketing & consulting services for business. The JCurve Solutions Group for the 2015 Financial Year was provided with services on commercial terms from Taos Creative Pty Ltd amounting to $240,400 net of GST (2014: $378,870).

JCurve Solutions Limited Director Mr Christopher Gabriel is the Chairman of Alive Mobile Group which provided analysis and redesign of JTEL product amounting to $95,000 net of GST in 2014. Mr Gabriel resigned as a Non-Executive Director on 15th September 2014.

David Franks was appointed as Company Secretary on 15th September 2014 and was also appointed as a Non-Executive Director on that date. David is the Proprietor of Franks and Associates, a firm that has provided guidance on corporate compliance requirements pursuant to the Company's constitution, ASX Listing Rules and Corporations Act, assistance in drafting notices of meeting and announcements; Board documentation, and assistance with preparation of annual and half yearly financial reports.

DIRECTORS' REPORT (continued)

KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

Transactions with Directors (continued)

Company secretarial service fees for the year ended 30 June 2015 amounted to $74,011 net of GST (2014: nil) and were provided on commercial terms.

Millenium International is a company fully owned by former Chairman and non-executive Director Graham Baillie. Millenium invoices JCurve for Mr Baillie's Directors fees, which has been included in Table 1, and also was engaged to provide consultancy services amounting to $45,000 during the financial year.

Former Chairman and current Non-Executive Director Graham Baillie's son-in-law Stephen John Nankervis is a Director of Outserve Aus Pty Limited who have been engaged to provide professional services on commercial terms. The services provided by Outserve amounted to $131,781 net of GST for the year ended 30 June 2015 (2014: $nil).

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms. Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash.

End of Remuneration Report

DIRECTORS' REPORT (continued)

Directors' Meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' Meetings (Eligible to attend)	Directors' Meetings (Attended)	Audit & Risk Management Committee Attended/(Eligible)	Remuneration Committee
Number of meetings held:	13		2	0
Number of meetings attended:				
B Hatchman	7	7	1 (1)	0
M Jobling	3	3	0 (0)	0
G Baillie	13	11	1 (1)	0
J Bond	6	6	1 (1)	n/a
C Gabriel	2	2	1 (1)	n/a
D Franks	11	11	1 (1)	0
N Gupta	0	0	n/a	n/a

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or 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 any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 16 and forms part of this Directors' Report for the year ended 30 June 2015.

Non-Audit Services

There were no non-audit related activities carried out by the Company's auditors during the year ended 30 June 2015.

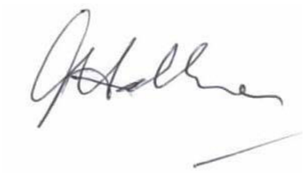
Corporate Governance Statement

In fulfilling its obligations and responsibilities to its various stakeholders, the Board is a strong advocate of corporate governance. The Board supports a system of corporate governance to ensure that the management of JCurve is conducted to maximise shareholder wealth in a proper and ethical manner.

The Corporate Governance Statement which outlines the principal corporate governance procedures of JCurve Solutions Limited (JCurve) can be found on the company's website at:

http://www.jcurvesolutions.com/media/headline/file/3/0/300615_corporategovernancestatement.pdf .

Signed in accordance with a resolution of the directors.



B Hatchman
Chairman
Dated at Sydney this 18th day of August 2015

AUDITORS INDEPENDENCE DECLARATION

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

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

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

Perth, Western Australia
18 August 2015

N G Neill
Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Consolidated ($) 2015	Consolidated ($) 2014
Revenue	2	11,343,889	11,637,193
Cost of goods sold		(2,502,466)	(3,936,476)
Gross profit		8,841,423	7,700,717
Employee benefits expense		(6,372,768)	(4,380,889)
Other employee related expense		(836,192)	(609,718)
Communications expense		(189,833)	(114,612)
Advertising and marketing		(408,920)	(336,737)
Professional fees		(1,001,397)	(1,172,714)
Occupation expense		(384,054)	(400,275)
Listing expense		(52,330)	(52,439)
Depreciation and amortisation expense		(188,297)	(113,236)
Impairment expense	12	(5,167,008)	(487,604)
Finance expense		(487)	(61,677)
Product development expense		(15,899)	(940,234)
Loss on disposal of fixed asset		-	(6,015)
Other expenses		(473,527)	(342,122)
Loss before income tax		(6,249,289)	(1,317,555)
Income tax benefit/(expense)	3	626,396	(107,241)
Net loss for the period		(5,622,893)	(1,424,796)
Other comprehensive income		-	-
Total comprehensive result for the year		(5,622,893)	(1,424,796)
Basic loss per share (cents per share)	5	(1.72)	(0.60)
Basic loss per share from continuing operations (cents per share)	5	(1.72)	(0.60)
Diluted loss per share (cents per share)	5	(1.72)	(0.60)
Diluted loss per share from continuing operations (cents per share)	5	(1.72)	(0.60)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Notes	Consolidated ($) 2015	2014
Assets			
Current Assets			
Cash and cash equivalents	6	2,049,069	2,765,265
Trade and other receivables	7	1,405,712	2,719,797
Other current assets	8	1,060,375	628,071
Total Current Assets		4,515,156	6,113,133
Non-Current Assets			
Property, plant and equipment	10	91,418	115,694
Intangible assets	11	5,286,746	10,570,897
Other financial assets	9	19,078	31,856
Deferred tax asset	3	245,009	217,612
Total Non-Current Assets		5,642,251	10,936,059
Total Assets		10,157,407	17,049,192
Liabilities			
Current Liabilities			
Trade and other payables	13	4,442,500	5,677,604
Provisions	14	-	41,781
Current tax liabilities		93,562	21,237
Total Current Liabilities		4,536,062	5,740,622
Non-Current Liabilities			
Provisions	14	107,689	172,021
Total Non-Current Liabilities		107,689	172,021
Total Liabilities		4,643,751	5,912,643
Net Assets		5,513,656	11,136,549
Equity			
Share capital	15	17,588,248	17,588,248
Reserves	15	1,723,014	1,723,014
Accumulated losses		(13,797,606)	(8,174,713)
Total Equity		5,513,656	11,136,549

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Consolidated ($) Inflows / (Outflows) 2015	2014
Cash flows from operating activities			
Receipts from customers		12,321,905	11,878,637
Payments to suppliers and employees		(13,350,925)	(12,315,856)
Interest received		22,182	68,881
Interest paid		(487)	(61,677)
Income tax received		338,007	80,389
Net cash used in operating activities	6	(669,318)	(349,626)
Cash flows (used in)/from investing activities			
Purchase of non-current assets		(46,878)	(60,040)
(Payment)/proceeds for other investments	23	-	(2,753,760)
Net cash used in investing activities		(46,878)	(2,813,800)
Cash flows from financing activities			
Proceeds from issue of shares		-	2,508,601
Share issue costs paid		-	(186,637)
Net cash provided by financing activities		-	2,321,964
Net decrease in cash and cash equivalents		(716,196)	(841,462)
Cash and cash equivalents at 1 July 2014		2,765,265	3,606,727
Cash and cash equivalents at 30 June 2015		2,049,069	2,765,265

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

Consolidated	**Share Capital**	**Accumulated Losses**	**Equity Benefits Reserve**	**Total**
	$	**$**	**$**	**$**
As at 1 July 2013	10,879,285	(6,749,917)	150,870	4,280,238
Loss for the year	-	(1,317,555)	-	(1,317,555)
Income tax expense	-	(107,241)	-	(107,241)
Recognition of equity based payment	-	-	1,572,144	1,572,144
	10,879,285	(8,174,713)	1,723,014	4,427,586
Shares issued	6,635,386	-	-	6,635,386
Deferred consideration (unissued shares)	205,357	-	-	205,357
Share issue costs	(131,780)	-	-	(131,780)
Balance at 30 June 2014	17,588,248	(8,174,713)	1,723,014	11,136,549
As at 1 July 2014	17,588,248	(8,174,713)	1,723,014	11,136,549
Loss for the year	-	(6,249,289)	-	(6,249,289)
Income tax benefit	-	626,396	-	626,396
Balance at 30 June 2015	17,588,248	(13,797,606)	1,723,014	5,513,656

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law. The accounting policies detailed below have been consistently applied to all years unless otherwise stated. The financial statements are for the consolidated entity consisting of JCurve Solutions Limited and its subsidiaries. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

The company is a listed public company, incorporated in Australia and also operating in South Africa.

(b) Adoption of new and revised standards

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

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

(c) Statement of Compliance

The financial report was authorised for issue on 18th August 2015.

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

(d) Basis of Consolidation

The consolidated financial statements comprise the financial statements of JCurve Solutions Limited and its subsidiaries as at 30 June each year (the Group).

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

(e) Significant accounting judgments, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Impairment of goodwill and intangibles with indefinite useful lives:

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill and intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill and intangibles with indefinite useful lives are discussed in Note 12.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Significant accounting judgments, estimates and assumptions (continued)

(ii) Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black - Scholes model, using the assumptions as detailed in the notes.

(iii) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over future years together with future tax planning strategies.

(iv) Identification of intangible assets on acquisition

The definition of an intangible asset requires an intangible asset to be identifiable to distinguish it from goodwill. Goodwill recognised in a business combination is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. The future economic benefits may result from synergy between the identifiable assets acquired or from assets that, individually, do not qualify for recognition in the financial statements.

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or
- arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

(f) Segment Reporting

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

(g) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

(ii) Subscription revenue

Subscription revenue comprises the recurring monthly fee from customers who subscribe to JCurve software services. Customers are invoiced annually in advance, with a 12 month contractual term. Revenue is recognised as the services are provided to the customer. Revenues that are not yet recognised at year end are recognised in the Statements of Financial Position as unearned income and included within current liabilities.

(iii) Rendering of services

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

(iv) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except those that relate to the acquisition, construction or production of qualifying assets where the borrowing cost is added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

(i) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised at their fair value or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the general policy on borrowing costs - refer Note 1 (h).

Finance leased assets are depreciated on a straight line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(j) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(k) Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(l) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax (continued)

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax Consolidation Legislation
JCurve Solutions and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

JCurve Solutions Limited recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Assets or Liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated Group.

(m) Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

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 are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Business Combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified as either equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(o) Property, plant & equipment and depreciation & amortisation

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Depreciation is calculated on a straight line basis over the estimated useful life of the assets.

Leasehold improvements are amortised over the period of the lease or the estimated useful life, whichever is the shorter, using the straight-line method. The following estimated useful lives are used in the calculation of depreciation and amortisation:

Plant and equipment	2 – 14 years
Leasehold improvements	1 – 6 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

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

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

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

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

For plant and equipment, impairment losses are recognised in the Statement of Comprehensive Income in the cost of sales line item. However, because land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

(ii) De-recognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Investments in associates and joint ventures

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is an arrangement where the parties have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate
or a joint venture is initially recognised on the consolidated statement of financial position and adjusted thereafter to recognised the Groups' share of the profit or loss in other comprehensive income of the associate if joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture which includes any long-term interests that, in substance, form part of the Group's net investment in associate or joint venture, the Group discontinues to recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in associate or joint venture. When necessary, the entire carrying amount if the investment (including goodwill) is tested for impairment in accordance with AASB 136 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceased to be an associate or a joint venture, or when the investment is classified as held for sale. When the group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 139. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised I other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities., the Group reclassified the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassified to profit and loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interests a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains
and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

(r) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with AASB 8 Operating Segments.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit (group of cash-generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment losses recognised for goodwill are not subsequently reversed.

(s) Intangible assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Intangible assets (continued)

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

(t) Trade and other payables

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

(u) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(v) Employee benefits

(i) Wages, salaries, annual leave and sick leave

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

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Share-based transactions

(i) Equity settled transactions:

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes model, further details of which are given in Note 16.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of JCurve Solutions Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 5).

(x) 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. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(y) Loss per share

Basic loss per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Foreign currency translation

Both the functional and presentation currency of JCurve Solutions Limited and its Australian subsidiaries is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

NOTE 2: REVENUES AND EXPENSES FROM CONTINUING OPERATIONS

	Consolidated ($)	
	2015	**2014**
(a) Revenue		
Telecommunications expense management	5,664,618	4,926,884
South African telco	704,165	1,423,839
Training	-	4,970
IBM software licences – new sales	-	229,244
IBM software licences & maintenance renewals	405,343	1,938,101
Computer services & subscriptions	372,170	843,398
JCurve cloud software & solutions	4,137,078	2,193,400
Gain on sale of Resources System	36,027	-
Interest income	22,182	68,881
Other income	2,306	8,476
	11,343,889	11,637,193
(b) Expenses		
Interest expense	487	61,677
Depreciation of non-current assets	71,154	63,236
Operating lease rental expense: minimum lease payments	308,345	302,635
Amortisation of intangibles	117,143	50,000
Directors' Fees (includes superannuation)	363,969	558,586
Consultancy Fees	389,115	396,729

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 3: INCOME TAX

	Consolidated ($) 2015	2014
Income tax recognised in profit or loss		
The major components of tax expense are:		
Current tax benefit	(507,793)	-
Origination and reversal of temporary differences	(243,321)	107,241
Under/(over) provision from prior years - current tax	124,718	-
Total tax (benefit)/expense	(626,396)	107,241
Attributable to:		
Continuing operations	(626,396)	107,241
The prima facie income tax (benefit)/expense on pre-tax accounting (loss)/profit from continuing operations reconciles to the income tax (benefit)/expense in the financial statements as follows:		
Accounting loss before tax	(6,249,289)	(1,317,555)
Income tax benefit calculated at 30%	(1,874,787)	(395,266)
Deferred tax expense relating to the origination and reversal of temporary differences	-	439,386
Permanent differences - non assessable income	(10,438)	-
Impairment of goodwill and intangibles	1,550,102	146,281
Non-deductible expenses	88,710	25,610
Share issue expenses – deductible	-	(29,649)
Research and development tax incentive	(723,495)	(79,121)
Tax losses not brought to account	218,794	-
Underprovision in prior years	124,718	-
Income tax (benefit)/expense reported in the Statement of Comprehensive Income	(626,396)	107,241
Net Deferred Tax Asset		
Analysis of deferred tax assets:		
Tax losses available to offset against future taxable income *(i)*	-	5,922
Accruals and provisions	245,009	211,690
	245,009	217,612
Analysis of deferred tax liabilities:		
Capitalised research and development	-	-
Prepayments	-	-
	-	-
Net Deferred Tax Asset	245,009	217,612

(1) The balance of recouped tax losses that have not been recognised in the Financial Statements amount to $2,015,461 (2014: $1,969,334). The deductible temporary differences and tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future tax profits will be available against which the Group can utilise the benefits thereof.

Tax Consolidation
JCurve Solutions and its 100% owned Australian resident subsidiaries implemented the tax consolidation legislation from 1st January 2014. The accounting policy for the implementation of the tax consolidation legislation is set out in note 1 (l).

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 3: INCOME TAX (continued)

The entities in the tax consolidated group have entered into a tax sharing agreement on adoption of the tax consolidation legislation which, in the opinion of the directors, limits the joint and several liability of the controlled entities in the case of a default by the head entity, JCurve Solutions.

JCurve Solutions and its controlled entities have entered into a tax funding agreement under which the 100% owned Australian resident subsidiaries compensate JCurve Solutions for all current tax payable assumed and are compensated by JCurve Solutions for any current tax receivable and deferred tax assets which relate to unused tax credits or unused tax losses that, under the tax consolidation legislation, are transferred to JCurve Solutions. These amounts are determined by reference to the amounts which are recognised in the financial statements of each entity in the tax consolidated group.

The amounts receivable/ payable under the tax funding agreement are due on receipt of the funding advice from JCurve Solutions, which is issued as soon as practicable after the financial year end. JCurve Solutions may also require payment of interim funding amounts to assist with obligations to pay tax instalments. These amounts are recognised as current intercompany receivables or payables.

NOTE 4: SEGMENT REPORTING

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The Board of Directors of JCurve Solutions Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. The Group operates predominantly in one business and geographical segment being the software development and software solutions industry providing services for corporate and government clientele predominately throughout Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

NOTE 5: LOSS PER SHARE

	Consolidated,	
	2015	**2014**
	Cents per share	**Cents per share**
Basic loss per share	(1.72)	(0.60)
Basic loss per share from continuing operations	(1.72)	(0.60)
Diluted loss per share	(1.72)	(0.60)
Diluted loss per share from continuing operations	(1.72)	(0.60)
	$	**$**
Basic loss from operations	(5,622,893)	(1,424,796)
Loss from continuing operations	(5,622,893)	(1,424,796)
	No.	**No.**
Weighted average number of ordinary shares for the purposes of **basic loss** per share	327,856,900	237,460,160
Weighted average number of ordinary shares for the purposes of **diluted loss** per share:	327,856,900	237,460,160

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated ($)	
	2015	2014
NOTE 6: CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	2,049,069	2,765,265

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates

At 30 June 2015, the Group has no committed borrowing facilities.

Reconciliation of (loss)/profit for the year after tax to net cash flows from operating activities		
(Loss)/profit for the year	(5,622,893)	(1,424,796)
Non Cash flows in operating (loss)/profit:		
Depreciation and amortisation from continuing operations	188,297	113,236
Impairment from continuing operations	5,167,008	487,604
Loss on disposal of fixed assets	-	6,015
Gain on sale of investment – Resources Systems	(36,027)	-
(Increase)/decrease in assets:		
Current receivables	1,350,112	(318,870)
Other current receivables	(432,304)	-
Non-current receivables		
Other financial assets	12,778	81,850
Deferred tax assets	(27,397)	175,133
Increase/(decrease) in liabilities:		
Current payables	(1,192,597)	458,221
Other payables	(36,262)	-
Current tax provision	82,287	11,229
Provisions	(122,320)	60,752
Net cash used in operating activities	(669,318)	(349,626)

NOTE 7: TRADE AND OTHER RECEIVABLES

Current:		
Trade receivables *(i)*	1,531,139	2,625,764
Allowance for doubtful debts	(135,058)	(27,575)
Accrued revenue	9,631	121,608
	1,405,712	2,719,797

(i) the average credit period on sales of goods and rendering of services is 30 days. An allowance has been made for estimated irrecoverable trade receivable amounts arising from the past sale of goods and rendering of services, determined by reference to past default experience. Refer to note 17 for ageing of receivables.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 8: OTHER CURRENT ASSETS

	Consolidated ($) 2015	2014
Prepayments	727,058	628,071
Sundry debtors #	333,317	-
	1,060,375	628,071

Sundry debtors relates to a Research and Development rebate received in July 2015 relating to the year ended 30 June 2015.

NOTE 9: OTHER FINANCIAL ASSETS

	2015	2014
Security Deposits	19,078	31,856

NOTE 10: PLANT AND EQUIPMENT

	2015	2014
Plant and equipment, at cost	679,618	785,058
Less accumulated depreciation	(589,033)	(681,482)
Net carrying amount	90,585	103,576
Leasehold improvements, at cost	44,120	68,104
Less accumulated depreciation	(43,287)	(55,986)
Net carrying amount	833	12,118
Total net carrying amount	91,418	115,694

Reconciliations: Consolidated

	Plant & Equipment $	Leasehold Improvements $	Total $
Movements:			
Net carrying amounts as at 30 June 2013	79,954	11,664	91,618
Disposals	(7,565)	-	(7,565)
Additions	85,696	9,181	94,877
Depreciation charges	(54,509)	(8,727)	(63,236)
Net carrying amounts as at 30 June 2014	103,576	12,118	115,694
Disposals	(151,318)	(24,985)	(176,303)
Additions	45,878	1,000	46,878
Depreciation write-back on disposals	151,311	24,986	176,297
Depreciation charges	(58,862)	(12,286)	(71,148)
Net carrying amounts as at 30 June 2015	90,585	833	91,418

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 11: INTANGIBLE ASSETS

Consolidated	Licences & Other Intangibles $	Goodwill $	Total $
Year ended 30 June 2014			
At 1 July 2013, net of accumulated amortisation and impairment	-	875,000	875,000
Additions	3,603,396	6,630,105	10,233,501
Impairment charge	(50,000)	(487,604)	(537,604)
At 30 June 2014, net of accumulated amortisation and impairment	3,553,396	7,017,501	10,570,897
Year ended 30 June 2015			
At 1 July 2014, net of accumulated amortisation and impairment	3,553,396	7,017,501	10,570,897
Additions	-	-	-
Amortisation	(117,143)	-	(117,143)
Impairment charge	(1,160,000)	(4,007,008)	(5,167,008)
At 30 June 2015, net of accumulated amortisation and impairment	2,276,253	3,010,493	5,286,746

Goodwill is subject to annual impairment testing (see Note 12).

An impairment loss of $5,167,008 (2014: $487,604) was recognised for continuing operations in the 2015 financial year. The impairment write off charge in 2015 was $ 4,007,008 for Goodwill on acquisition of JCurve Business Software, $ 797,143 asset write down of Netsuite licence and $ 362,857 asset write down of the JCurve Wizard. The impairment write off charge in 2014 was $387,604 for Phoneware Goodwill due to Phoneware's continued migration plan to move customers to JTEL and $100,000 to write off the goodwill attached to the acquisition of FleetManager®. Further explanation of the factors that lead to the impairment charge are noted in Note 12.

NOTE 12: IMPAIRMENT TESTING OF GOODWILL AND INTANGIBLES WITH INDEFINITE LIVES

Goodwill acquired through business combinations has been allocated to 3 individual cash generating units **(CGU)** for impairment testing as follows:

- Phoneware
- JCurve Business Software
- The Full Circle Group

Phoneware

The recoverable amount of the Phoneware unit has been determined based on a value in use calculation using cash flow projections covering a 5 year period. The discount rate applied to cash flow projections, including a factor for risk, is 12.00% (2013: 12.25%). Based on these value in use calculations, there is no impairment of Phoneware Goodwill for the year ended 30 June 2015 (2014: $387,604).

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 12: IMPAIRMENT TESTING OF GOODWILL AND INTANGIBLES WITH INDEFINITE LIVES (continued)

JCurve Business Software

The net assets include $7.6 million for Goodwill and identifiable assets associated with the acquisition of JCurve Business Software. This was made up of Goodwill $4,007,008, Netsuite reseller agreement $3,100,000 and a software installation wizard of $500,000.

The recoverable amount of the JCurve Business Software Goodwill has been determined based on a value in use calculation using cash flow projections covering a 5 year period. The discount rate applied to cash flow projections, including a factor for risk, is 12.00%. Based on these value in use calculations, there is an impairment of $5,167,008 for the year ended 30 June 2015, which has been applied to Goodwill $4,007,008, the Netsuite Licence $797,142 and the implementation wizard $362,858. As a result, the Goodwill and implementation wizard are now fully amortised/impaired, and the Netsuite License has been written down to $2,276,253.

The Full Circle Group

Goodwill of $2,623,097 was recorded on the acquisition of the Full Circle Group which occurred on 17 June 2014. The recoverable amount of The Full Circle Group Goodwill has been determined based on a value in use calculation using cash flow projections covering a 5 year period. The discount rate applied to cash flow projections, including a factor for risk, is 12.00%. Based on these value in use calculations, there is no impairment of The Full Circle Group Goodwill as at 30 June 2015 (2014: $nil).

Carrying amount of intangibles allocated to each of the cash generating units

	Consolidated ($)			
	Phoneware	Full Circle	JCurve Business Software	Total
At 30 June 2015				
Carrying amount of goodwill	387,396	2,623,097	-	3,010,493
Carrying amount of licences & other intangibles	-	3,396	2,272,857	2,276,253
Total	387,396	2,626,493	2,272,857	5,286,746
At 30 June 2014				
Carrying amount of goodwill	387,396	2,623,097	4,007,008	7,017,501
Carrying amount of licences & other intangibles	-	3,396	3,550,000	3,553,396
Total	387,396	2,626,493	7,557,008	10,570,897

Key assumptions used in value calculations for 30 June 2015 and 30 June 2014

The following describes each key assumption on which management has based its cash flow projections when determining the value in use of all the cash generating units.

Budgeted gross margins	The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year, increased for expected efficiency improvements. Thus, values assigned to gross margins reflect past experience, except for efficiency improvements.
Cash rate	a base rate of 2.50% (2014: 4.25%) has been used.
Risk factor	an additional amount of 9.5% has been factored for general business risk.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated ($) 2015	2014
NOTE 13: TRADE AND OTHER PAYABLES		
Current:		
Trade payables (i)	364,097	1,331,321
Other payables	483,213	424,806
Annual leave	195,876	212,083
Accrued expenses	638,230	750,291
Unearned Income	2,761,084	2,959,103
	4,442,500	5,677,604

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. Information regarding the effective interest rate and credit risk of current payables is set out in Note 17.

NOTE 14: PROVISIONS

	2015	2014
Current:		
Provision for long service leave	-	41,781
Non-current:		
Provision for long service leave	107,689	172,021
	107,689	213,802

NOTE 15: SHARE CAPITAL AND RESERVES

	2015	2014
Ordinary shares issued and fully paid (i)	17,382,891	17,382,891
Unissued shares (ii)	205,357	205,357
	17,588,248	17,588,248

(i) Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Movement in ordinary shares on issue	No.	$
At 1 July 2013	191,077,728	10,879,285
Shares issued	136,779,172	6,635,386
Share issue costs	-	(186,637)
Related income tax	-	54,857
At 30 June 2014	327,856,900	17,382,891
Shares issued	-	-
At 30 June 2015	327,856,900	17,382,891

(ii) Movement in unissued shares

At 1 July 2014	-	-
Deferred consideration	4,464,285	205,357
At 30 June 2015	4,464,285	205,357

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 15: SHARE CAPITAL AND RESERVES (continued)

Share options

JCurve Solutions Limited issued 35,714,284 options (valued at $1,572,144) as part consideration for the acquisition of JCurve Solutions Pty Ltd by its' subsidiary JCurve Business Software Pty Ltd. Refer Note 23.

Reserves	2015 $	2014 $
Balance at the start of the year	1,723,014	150,870
Equity benefits reserve – options issued to director	-	1,572,144
Balance at the end of the year	1,723,014	1,723,014

Nature and purpose of reserves

Employee Equity benefits reserve

This reserve is used to record the value of equity benefits provided to employees as part of their remuneration. Refer to Note 16 for further details of the plan.

NOTE 16: SHARE BASED PAYMENT PLANS

Employee Share Option Plan

JCurve Solutions Limited issued 35,714,284 options (valued at $1,572,144) as part consideration for the acquisition of JCurve Solutions Pty Ltd by its subsidiary JCurve Business Software Pty Ltd. Refer Note 23.

The contractual life of each option granted is between 3 and 5 years. There are no cash settlement alternatives.

The expense recognised in the statement of comprehensive income in relation to share-based payments is disclosed in Note 23.

The following table illustrates the number (No.) and weighted average exercise prices of and movements in share options issued during the year:

	2015		2014	
	No.	Weighted average exercise price	No.	Weighted average exercise price
Outstanding at the beginning of the year	35,714,284	$0.000001	800,000	$0.11
Expired during the year	-	-	(800,000)	$0.11
Granted during the year	-	-	35,714,284	$0.000001
Outstanding at the end of the year	35,714,284	$0.000001	35,714,284	$0.000001
Exercisable at the end of the year	35,714,284		35,714,284	

The weighted average remaining contractual life for the share options outstanding as at 30 June 2015 is between 2 and 5 years (2014: 3 and 5 years).

The range of exercise prices for options outstanding at the end of the year was $0.000001 (2014: $0.000001)

No options expired during the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 16: SHARE BASED PAYMENT PLANS (continued)

Employee Share Option Plan (continued)

The outstanding balance of share options as at 30 June 2015 is represented by:

- 8,928,571 options which automatically vest when the share price reaches 7.5c for a period of 10 consecutive trading days, exercisable on or before 31 March 2016;
- 8,928,571 options which automatically vest when the share price reaches 10.0c for a period of 10 consecutive trading days, exercisable on or before 31 March 2017;
- 8,928,571 options which automatically vest when the share price reaches 12.5c for a period of 10 consecutive trading days, exercisable on or before 31 March 2018;
- 8,928,571 options which automatically vest when the share price reaches 15.0c for a period of 10 consecutive trading days, exercisable on or before 31 March 2019

NOTE 17: FINANCIAL INSTRUMENTS

(a) Capital risk management

Capital risk is managed and monitored by liaising with banks and communicating with shareholders. JCurve considers new government legislation and monitors the market place by canvassing information from stockbrokers and investors.

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. Management adjust the capital structure as necessary to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(b) Categories of financial instruments

	Consolidated ($)	
	2015	**2014**
Financial assets		
Receivables	1,405,712	2,719,797
Cash and cash equivalents	2,049,069	2,765,265
Other financial assets	19,078	31,856
Financial liabilities		
Payables	4,442,500	5,677,604

The Group has no derivative instruments in designated hedging relationships.

(c) Financial Risk Management

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The Group's principal financial liabilities are trade payables and unearned income. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

It is, and has been throughout 2014 and 2015, the Group's policy that no trading in derivatives shall be undertaken. The main risks arising from the Group's financial instruments are cash flow interest rate risk, liquidity risk, and credit risk. The Board of Directors reviews and agrees on policies for managing each of these risks which are summarised in following pages.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 17: FINANCIAL INSTRUMENTS (continued)

(d) Price Risk – Equity and Commodity

The Group's exposure to commodity and equity securities price risk is minimal.

(e) Foreign Currency Risk

The Group has minimal exposure to foreign currency risk as the Group trades mainly within Australia. The Joint Venture contract for in South Africa stipulates that the service revenue will be billed in Australian dollars.

(f) Interest Rate Risk

The following table sets out the carrying amount, by maturity, of the Group's financial instruments including those exposed to interest rate risk:

	Consolidated			
	Within 1year	**1 to 5 years**	**Total**	**Weighted average effective interest rate**
	$	**$**	**$**	**%**
Year ended 30 June 2015				
Financial assets				
Trade and other receivables	1,405,712	-	1,405,712	
	1,405,712	-	1,405,712	
Floating rate:				
Cash Assets	2,049,069	-	2,049,069	2.33
	2,049,069	-	2,049,069	
	3,454,781	-	3,454,781	
Financial liabilities				
Payables	4,442,500	-	4,442,500	-
Other payables	-	-	-	-
	4,442,500	-	4,442,500	
Year ended 30 June 2014				
Financial assets				
Trade and other receivables	2,719,797	-	2,719,797	
	2,719,797	-	2,719,797	
Floating rate:				
Cash Assets	2,765,265	-	2,765,265	2.53
	2,765,265	-	2,765,265	
	5,485,062	-	5,485,062	
Financial liabilities				
Payables	5,677,604	-	5,677,604	-
Other payables	-	-	-	-
	5,677,604	-	5,677,604	

For all financial instruments, the net fair value approximates their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised forms.

Interest on financial instruments classified as floating rate is fixed at intervals of less than one year. The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 17: FINANCIAL INSTRUMENTS (continued)

Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net loss before tax would increase by $4,757 and decrease by $4,757 respectively (2014: $13,613). This is mainly attributable to the Group's exposure to interest rates on its variable rate cash deposits.

(g) Credit Risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

The Group does not hold any credit derivatives to offset its credit exposure.

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 that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the board. These risk limits are regularly monitored.

Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Accounts Receivable and Provision

Trade Receivables – Past Due Not Impaired

At 30 June 2015, the ageing analysis of trade receivables is as follows:

	Consolidated Total	0-30 days	31-60 days	61-90 days PDNI*	61-90 Days CI*	+91 days PDNI*	+91 days CI*
2015	1,531,139	765,893	273,253	136,259	-	220,677	135,057
2014	2,625,764	2,341,786	114,545	85,288	-	56,571	27,574

* **PDNI** - Past due not impaired

CI - Considered impaired

Receivables past due but not considered impaired are: Consolidated $356,936 (2014: $141,859).

Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2014

NOTE 17: FINANCIAL INSTRUMENTS (continued)

(h) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

NOTE 18: COMMITMENTS AND CONTINGENCIES

Remuneration Commitments

There are no commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date.

Operating Lease Commitments

The Group had the following operating lease commitments at balance date:

	Consolidated ($)	
	2015	**2014**
Within one year	53,457	72,029
After one year but not more than five years	79,239	17,111

Contingent Liabilities

The company does not have any contingent liabilities.

NOTE 19: EVENTS AFTER BALANCE DATE

On 29 July 2015, the Group entered into an operating lease agreement to rent office space in Chatswood. The operations of JCurve Solutions Ltd, JCurve Business Software Pty Ltd, and Phoneware Pty Ltd will therefore relocate from St.Leonards to the new premises in Chatswood in October 2015. The operating lease commitment associated with the new offices is as follows:

	Consolidated ($)	
	2015	**2014**
Within one year	275,981	-
After one year but not more than five years	1,316,582	-

NOTE 20: AUDITOR'S REMUNERATION

The auditor of JCurve Solutions Limited is HLB Mann Judd.

	Consolidated ($)	
	2015	**2014**
Amounts received or due and receivable by HLB Mann Judd for:		
An audit or review of the financial report of the entity and any other entity in the consolidated group	82,500	68,700

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 21: INTEREST IN JOINT VENTURE

The Group has a 50% interest in the Webhouse Software joint venture, which is involved in providing telecommunications expense management solutions in South Africa.

The share of the assets, liabilities, revenue and expenses of the jointly controlled operation, which are included in the consolidated financial statements, are as follows:

	Consolidated ($)	
	2015	**2014**
Current assets		
Trade and other receivables	89,567	481,343
Total current assets	89,567	481,343
Non-current assets		
Total Non-current assets	-	-
Current liabilities		
Trade and other payables	-	296,053
Total current liabilities	-	296,053
Non-current liabilities		
Total Non-current liabilities	-	-
Operating Revenue	704,165	1,423,839
Interest Revenue	809	222
Administrative expenses	(1,713)	(1,244)
Communications expenses	-	(13,967)
Consultancy expenses	(19,491)	(36,589)
Travel expenses	-	(7,049)
Profit before income tax	683,770	1,365,212
Income tax expense	-	-
Net Profit	683,770	1,365,212

There were no capital commitments and guarantees. There were no impairment losses in the jointly controlled operation.

NOTE 22: DISPOSAL OF SUBSIDIARY

Resource Systems Pty Limited (JConnects)

The entity Resource Systems Pty Limited and its associated businesses were sold on 1st June 2015. The entity was deconsolidated as at 31 May 2015 and shares in the business were sold for consideration of $36,027.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: BUSINESS COMBINATIONS

Acquisition of JCurve Business Software

On 31 October 2013, JCurve Business Software Pty Ltd, a subsidiary of JCurve Solutions Limited acquired the assets and liabilities of JCurve Solutions Pty Ltd, a leading cloud-based accounting and ERP software provider which exclusively promotes and sells the small business version of business software from Netsuite Inc of USA (Netsuite) in the Australia and New Zealand region.

The total cost of the combination was $6,000,714 and comprised an issue of equity instruments, cash and options. The Company issued 71,428,571 ordinary shares with a fair value of $0.048 each, based on the quoted price of the shares of JCurve Solutions Limited at the date of control and 35,714,284 options (valued at $1,572,143). The incentive options were issued with the following milestones all with an exercise price of $0.000001:

- 8,928,571 options which automatically vest when the share price reaches 7.5c for a period of 10 consecutive trading days, exercisable on or before 31 March 2016;
- 8,928,571 options which automatically vest when the share price reaches 10.0c for a period of 10 consecutive trading days, exercisable on or before 31 March 2017;
- 8,928,571 options which automatically vest when the share price reaches 12.5c for a period of 10 consecutive trading days, exercisable on or before 31 March 2018;
- 8,928,571 options which automatically vest when the share price reaches 15.0c for a period of 10 consecutive trading days, exercisable on or before 31 March 2019.

Consideration transferred

Acquisition date fair value of the consideration transferred:

	30 June 2014
	$
Cash	1,000,000
Options issued	1,572,143
Shares issued at fair value	3,428,571
Total consideration	6,000,714

Acquisition related costs of $195,655 are included in professional fees and other expenses in the statement of comprehensive income for the year ended 30 June 2014. Directly attributable costs of raising equity have been included as a deduction from equity.

Assets acquired and liabilities assumed at the date of acquisition

The Group has recognised the fair values of the identifiable assets and liabilities of JCurve Solutions Pty Ltd at the date of acquisition as follows:

	Fair value at acquisition date
	$
Trade receivables	133,631
Bonds	9,700
Property, plant and equipment	20,595
Netsuite licence agreement	3,100,000
Intangible assets – JCurve wizard	500,000
Prepayments	545,416
Deferred tax assets	14,161
Trade and other payables	(2,329,797)
Provisional fair value of identifiable net assets	1,993,706
Goodwill arising on acquisition	4,007,008
Total consideration	6,000,714

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: BUSINESS COMBINATIONS (continued)

Acquisition of JCurve Business Software (continued)

Impact of acquisition on the results of the Group

The acquisition of the assets and liabilities of JCurve Solutions Pty Ltd affected the consolidated result as follows:

	30 June 2014 $
Revenue	2,197,229
Less: expenses	(2,650,200)
Gross loss before tax	(452,971)

If the combination had taken place at the beginning of the year ended 30 June 2014, the loss before tax of the Group would have been $1,576,749 and revenue from continuing operations would have been $12,743,520 for the year ended 30 June 2014

In determining the pro-forma revenue and profit of the Group had JCurve Solutions Pty Ltd been acquired at the beginning of the prior reporting period, the Directors have:

- calculated depreciation and amortisation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements; and

- based borrowing costs on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

Acquisition of The Full Circle Group Pty Ltd

On 17 June 2014 JCurve Solutions Limited acquired the shares of The Full Circle Group Pty Ltd, a leading cloud-based telecommunications management company, to be integrated into business operations effective 1 July 2014.

The total cost of the combination was $2,703,571 and comprised an issue of equity instruments and cash. The Company issued 15,178,571 ordinary shares with a fair value of $0.046 each, based on the quoted price of the shares of JCurve Solutions Limited at the date of control. A further 4,464,285 ordinary shares with a fair value of $0.046 each, based on the quoted price of the shares of JCurve Solutions Limited at the date of control, will be issued on an incentive basis on the achievement of financial and product targets as agreed in the purchase of Full Circle.

Consideration transferred

Acquisition date fair value of the consideration transferred:

	30 June 2014 **$**
Cash	1,800,000
Shares issued at fair value	698,214
Deferred consideration	205,357
Total consideration	2,703,571

Acquisition related costs of $122,548 are included in professional fees and other expenses in the statement of comprehensive income for the year ended 30 June 2014. Directly attributable costs of raising equity have been included as a deduction from equity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: BUSINESS COMBINATIONS (continued)

Acquisition of The Full Circle Group Pty Ltd (continued)

Assets acquired and liabilities assumed at the date of acquisition

The Group has recognised the fair values of the identifiable assets and liabilities of The Full Circle Group Pty Ltd at the date of acquisition as follows:

	Fair value at acquisition date
	$
Cash	46,241
Trade receivables	187,385
Bonds	4,883
Property, plant and equipment	12,692
Patents & trademarks	3,396
Deferred tax assets	-
Trade and other payables	(153,298)
Provisions	(20,825)
Provisional fair value of identifiable net assets	80,474
Goodwill arising on acquisition	2,623,097
Total consideration	2,703,571

Impact of acquisition of The Full Circle Group on the results of the Group

The acquisition of the assets and liabilities of The Full Circle Group Pty Ltd affected the consolidated result as follows:

	30 June 2014
	$
Revenue	-
Less: expenses	-
Gross loss before tax	-

If the combination had taken place at the beginning of the year ended 30 June 2014, the loss before tax of the Group would have been $1,396,301 and revenue from continuing operations would have been $13,205,214 for the year ended 30 June 2014.

In determining the pro-forma revenue and profit of the Group had The Full Circle Group Pty Ltd been acquired at the beginning of the prior reporting period, the Directors have:

- calculated depreciation and amortisation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements; and

- based borrowing costs on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: BUSINESS COMBINATIONS (continued)

Net cash outflow arising on acquisitions:

The cash outflow arising on acquisitions was as follows:

	30 June 2015 $	30 June 2014 $
Acquisition of JCurve Solutions Pty Limited		
Cash paid	-	1,000,000
Less: net cash acquired with the subsidiary	-	-
Net cash outflow for JCurve Solutions	-	1,000,000
Acquisition of The Full Circle Group Pty Limited		
Cash paid	-	1,800,000
Less: net cash acquired with the subsidiary	-	(46,240)
Net cash outflow for The Full Circle Group	-	1,753,760
Net cash outflow in respect of acquisitions during the year	-	2,753,760

NOTE 24: RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of JCurve Solutions Limited and the subsidiaries listed in the following table.

Name	Country of Incorporation	% Equity Interest 2015	2014
JCurve Services Pty Ltd	Australia	100	100
JCurve Business Software Pty Ltd	Australia	100	100
Mobile Fleet Pty Ltd	Australia	100	100
Phoneware Pty Ltd	Australia	100	100
Resource Systems Pty Ltd	Australia	-	100
Interfleet Pty Ltd	Australia	100	100
The Full Circle Group Pty Ltd	Australia	100	100

JCurve Solutions Limited is an Australian entity and ultimate parent of the Group. JCurve Services Pty Ltd, Phoneware Pty Ltd, Resource Systems Pty Ltd, Interfleet Pty Ltd and The Full Circle Group Pty Ltd are all incorporated in Australia. Resource Systems Pty Ltd was sold on 1st June 2015.

JCurve Services Pty Ltd and Mobile Fleet Pty Ltd are no longer trading entities. The Group has applied to have JCurve Services Pty Ltd and Mobile Fleet Pty Ltd struck off. In the absence of any objection being received, this process will be completed early in the new financial year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 25: PARENT ENTITY DISCLOSURES

Financial position

	30 June 2015 $	30 June 2014 $
Assets		
Current assets	2,331,247	3,213,517
Non-current assets	2,863,480	2,962,886
Total assets	5,194,727	6,176,403
Liabilities		
Current liabilities	1,182,421	1,670,955
Non-current liabilities	89,267	134,998
Total liabilities	1,271,688	1,805,953
Equity		
Issued capital	17,588,248	17,588,248
Accumulated losses	(15,388,223)	(14,940,812)
Reserves		
Share-based payments	1,723,014	1,723,014
Total equity	3,923,039	4,370,450

Financial performance	Year ended 30 June 2015 $	Year ended 30 June 2014 $
Net loss for the year	(447,411)	(7,451,817)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 26: DIRECTORS AND EXECUTIVE DISCLOSURES

The aggregate compensation made to directors and other key management personnel of the Group is set out below:

	30 June 2015 $	30 June 2014 $
Short-term employee benefits	1,388,055	1,097,498
Post-employment benefits	101,832	77,860
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total Compensation	1,489,887	1,175,358

NOTE 27: GOING CONCERN

The Group incurred a loss after tax of $5,622,893 (2014: $1,424,796), which included an impairment charge of $5,167,008 (2014: $487,604). At balance date, the Group has cash assets of $2,049,069 (2014: $2,765,265) and a negative working capital position of $20,906 (2014: positive working capital position of $372,511). The working capital of negative $20,906 includes unearned revenue of $2,761,084 (2014: $2,959,103).

Whilst the recognition of Unearned Revenue acknowledges there are future obligations in terms of services to be provided this does not represent a future cash outlay. The Group has prepared cashflow forecasts based on expected future cash inflows and expected future cash outlays and, on the basis of these cash forecasts, and with reference to the cashflow statement incorporated into these Financial Statements, in the opinion of the Directors, the Group will be able to pay its debts as and when they fall due.

DIRECTORS' DECLARATION

1. In the opinion of the directors:

    a. the accompanying financial statements and notes are 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 then ended; and

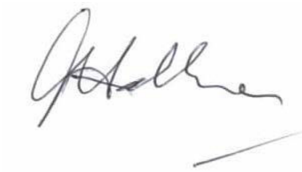
        ii. complying with Accounting Standards and Corporations Regulations 2001.

    b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

    c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

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

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



B Hatchman

Chairman

Dated this 18th day of August 2015

INDEPENDENT AUDITORS REPORT

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of JCurve Solutions Limited

Report on the Financial Report

We have audited the accompanying financial report of JCurve Solutions Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of JCurve Solutions Limited is in accordance with the *Corporations Act 2001*, including:

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

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

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(c).

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

INDEPENDENT AUDITORS REPORT

HLB Mann Judd

Accountants | Business and Financial Advisers

Report on the Remuneration Report

We have audited the remuneration report included in 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.

Auditor's opinion

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

N G Neill
Partner

Perth, Western Australia
18 August 2015

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Shareholder information

(a) Distribution of shareholder and listed option holder numbers

Category	Ordinary	Units	% of Issued Capital
1 - 1,000	51	1889	0.00
1,001 - 5,000	9	30,010	0.01
5,001 - 10,000	47	412,436	0.13
10,001 - 100,000	219	11,411,494	3.48
100,001 - and over	245	316,001,071	96.38
	571	327,856,900	100

There are 165 shareholders that hold less than a marketable parcel as at 7th August 2015.

(b) Substantial shareholders

The names of the substantial shareholders listed in the company's register as at 30 June 2015 and 7 August 2015 are:

Shareholder	Number of ordinary shares held	% held of ordinary share capital
Gramell Investments Pty Limited	83,124,215	25.35
Mr Mark Jobling	51,204,301	15.62
Two Tops Pty Ltd	31,198,481	9.52

(c) Voting rights

At members' meetings, each eligible voter (i.e. eligible member, proxy, attorney or representative of an eligible member) has one vote on a show of hands; and one vote on a poll (except where a share has not been fully paid, that share will only confer that fraction of one vote which has been paid, and if the total number of votes does not constitute a whole number, the fractional part of that total will be disregarded). This is subject to the following:

Where any calls due and payable have not been paid;

Where there is a breach of a restriction agreement;

Where a member and their proxy or attorney are both present at the meeting, or if more than one proxy or attorney is present;

Where a vote on a particular resolution is prohibited by the Corporations Act 2001, Listing Rules, ASIC or order of a Court.

(d) Company secretary

The name of the company secretary is David Franks.

(e) Registered office

The address of the principal registered office in Australia is:
Level 4, 22 Atchison St
St Leonards NSW 2062

(f) Register of securities

The registers of securities are held at the following address:
Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000
Ph. (08) 9323 2000

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES (continued)

(g) Top 20 Registered Holders – Ordinary Shares as of 7th August 2015

	Name	Number of Ordinary Shares	% of Ordinary Shares Held
1	GRAMELL INVESTMENTS PTY LIMITED <SUPERANNUATION FUND	83,124,215	25.35
2	MR MARK CHRISTOPHER JOBLING	47,899,564	14.61
3	TWO TOPS PTY LTD	31,198,481	9.52
4	T T NICHOLLS PTY LTD <SUPERANNUATION ACCOUNT>	6,667,012	2.03
5	POTENTATE INVESTMENTS PTY LIMITED	6,330,943	1.93
6	LTL CAPITAL PTY LTD <LTL CAPITAL TRADING A/C>	6,000,000	1.83
7	MR TONY MICHAEL SIMMONS	5,917,443	1.80
8	MS XIAN XIA ZENG	5,798,000	1.77
9	AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	3,250,000	0.99
10	ALET INVESTMENTS PTY LTD	3,007,783	0.92
11	MR MICHAEL STARR	3,000,000	0.92
12	MR MARK JAMES STEMMER	2,768,964	0.84
13	PATEL FAMILY SUPERANNUATION PTY LTD <PATEL FAMILY SUPER FUND A/C>	2,619,091	0.80
14	MR PETER GRAHAM DORAN + MRS BARBARA LINDA DORAN <DORAN & SONS FAMILY A/C>	2,271,973	0.69
15	MR STEPHEN CANNING	2,000,000	0.61
16	CORNELA PTY LTD <IAN MACLIVER SUPER FUND A/C>	2,000,000	0.61
17	MRS GLENYS KAYE DOUGHTY	2,000,000	0.61
18	FUTURE SUPER PTY LTD <JWS SUPER FUND A/C>	2,000,000	0.61
19	LAKE PACIFIC PTY LTD	2,000,000	0.61
20	TWENTY TEN ENTERPRISE LTD <TWENTY TEN INVESTMENTS A/C>	2,000,000	0.61
	TOTAL HELD BY TOP 20 HOLDERS	**221,853,469**	**67.67**
	TOTAL HELD BY REMAINING SHAREHOLDERS	**106,003,431**	**32.33**

(h) Stock exchange listing– ordinary shares (as of 30 June 2015)

Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange.

(i) Restricted securities

As at 30 June 2015 and 7 August 2015 there are no restricted security classes recorded in the Company's share register.

(j) Unquoted securities

The unquoted securities of the Company as at 7 August 2014 are 35,714,284 Options are outlined below

Number of Options	Exercise Price	Expiry Date	Number of Holders
8,928,571	$0.000001	31 March 2016	1
8,928,571	$0.000001	31 March 2017	1
8,928,571	$0.000001	31 March 2018	1
8,928,571	$0.000001	31 March 2019	1

(k) Listing Rule 3.13.1 and 14.3

Further to Listing Rule 3.13.1 and Listing Rule 14.3, the Annual General Meeting of Jcurve is scheduled for 17 November 2015.