SANITY HOLDINGS PTY LTD

ABN: 62153351663

Financial Report For The Year Ended 30 June 2015

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Financial Report For The Year Ended 30 June 2015

CONTENTS

SANITY HOLDINGS PTY LTD
ABN: 62153351663
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
Revenue	2	1,316,634	1,386,617
Other income	2	-	4,051
Employee benefits expense	3	(372,953)	(430,094)
Depreciation and amortisation expense		(53,341)	(26,755)
Advertising expense		(2,640)	(1,605)
Accountancy expense		(5,750)	(8,108)
Lease expense		4,075	(32,350)
Other expenses	3	(695,801)	(686,263)
Profit before income tax		190,224	205,493
Tax expense	3	(57,067)	(61,648)
Profit for the year		133,157	143,845
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		133,157	143,845
Total comprehensive income attributable to members of the entity		133,157	143,845

The accompanying notes form part of these financial statements.

SANITY HOLDINGS PTY LTD
ABN: 62153351663
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	2015 $	2014 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	8,029	46,083
Trade and other receivables	7	7,455	20,409
Other assets	8	12,516	11,823
TOTAL CURRENT ASSETS		28,000	78,315
NON-CURRENT ASSETS			
Property, plant and equipment	9	241,281	249,653
Other assets	8	-	81,492
TOTAL NON-CURRENT ASSETS		241,281	331,145
TOTAL ASSETS		269,281	409,460
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	54,021	35,744
Borrowings	11	29,973	29,973
Current tax liabilities	12	8,880	30,519
TOTAL CURRENT LIABILITIES		92,874	96,236
NON-CURRENT LIABILITIES			
Borrowings	11	111,989	141,963
TOTAL NON-CURRENT LIABILITIES		111,989	141,963
TOTAL LIABILITIES		204,863	238,199
NET ASSETS		64,418	171,262
EQUITY			
Issued capital	13	12	12
Retained earnings		64,406	171,250
TOTAL EQUITY		64,418	171,262

The accompanying notes form part of these financial statements.

SANITY HOLDINGS PTY LTD
ABN: 62153351663
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Note	Issued Capital Ordinary $	Retained Earnings $	Total $
Balance at 1 July 2013		12	77,405	77,417
Comprehensive Income				
Profit for the year		-	143,845	143,845
Total comprehensive income for the year attributable to members of the entity		-	143,845	143,845
Dividends paid or provided for	5		(50,000)	(50,000)
Total transactions with owners, and other transfers		-	(50,000)	(50,000)
Balance at 30 June 2014		12	171,250	171,262
Balance at 1 July 2014		12	171,250	171,262
Comprehensive Income				
Profit for the year		-	133,157	133,157
Total comprehensive income for the year attributable to members of the entity		-	133,157	133,157
Dividends paid or provided for	5		(240,000)	(240,000)
Total transactions with owners and other transfers		-	(240,000)	(240,000)
Balance at 30 June 2015		12	64,407	64,418

The accompanying notes form part of these financial statements.

SANITY HOLDINGS PTY LTD
ABN: 62153351663
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,329,588	1,357,194
Payments to suppliers and employees		(1,055,485)	(1,190,014)
Interest received		-	4,051
Income tax paid		(78,706)	(53,571)
Net cash provided by/(used in) operating activities	15a	195,397	117,660
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(44,969)	(6,635)
Loan payments made to related parties		-	(16,155)
Loan repayments received from related parties		81,492	-
Net cash provided by/(used in) investing activities		36,523	(22,790)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(29,974)	-
Dividends paid		(240,000)	(50,000)
Net cash provided by/(used in) financing activities		(269,974)	(50,000)
Net increase/(decrease) in cash held		(38,054)	44,870
Cash and cash equivalents at beginning of financial year		46,083	1,213
Cash and cash equivalents at end of financial year	6	8,029	46,083

The accompanying notes form part of these financial statements.

The financial statements cover SANITY HOLDINGS PTY LTD as an individual entity. SANITY HOLDINGS PTY LTD is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 29/10/15 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared for (a) the purpose of complying with the requirements the Share Sale Agreement between Impirical Pty Ltd ("Impirical") and AMH Holdings Pty Ltd dated 9 September 2015 ("SSA") to prepare Completion Accounts and (b) in connection with the issue of a prospectus and proposed capital raising by Impirical Pty Ltd and must not be used for any other purpose. Sanity Holdings Oty Ltd is a for profit entity for the purpose of preparing the financial statements.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001, the recognition and measurement principles of Australian Accounting Standards issued by the Australian Accounting Standards Board. The financial statements do not comply with the disclosure requirements of any other Australian Accounting Standards. It contains only those disclosures considered necessary by the directors to meet the needs of the users.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed are recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination other than those associated with the issue of a financial instrument are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(b) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

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

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

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

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

With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the company in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

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

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

In the periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the land and buildings' carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in shareholders' equity. Decreases that offset previous increases of the same asset are recognised against fair value reserves directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(h) for details of impairment).

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Depreciation

The depreciable amount of all fixed assets, including building and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	3%
Plant and equipment	50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the company, are classified as finance leases.

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

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

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

(e) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116 *Property, Plant and Equipment*'. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(f) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Cash and Cash Equivalents

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

(i) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement by the company in those goods.

Interest revenue is recognised using the effective interest method, which, for floating rate financial assets is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive the dividend has been established except for dividends received from associates, which are accounted for in accordance with the equity method of accounting.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

All revenue is stated net of the amount of goods and services tax.

(j) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(g) for further discussion on the determination of impairment losses.

(k) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Goods and Services Tax (GST)

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

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

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

(m) Comparative Figures

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statement is presented.

(n) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates

Impairment

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(o) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

— *AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).*

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

  The key changes that may affect the company on initial application of include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for unexpected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of this Standard, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

— *AASB 15: Revenue from Contracts with Customers* (applicable for annual reporting periods commencing on or after 1st January 2017)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.
The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contracts; and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.
Although the directors anticipate that the adoption of AASB 15 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Note 2 Revenue and Other Income

	Note	2015 $	2014 $
Revenue			
— Service income		1,316,634	1,386,617
Total revenue		1,316,634	1,386,617
Interest revenue from:			
— Division 7A Interest		-	4,051
Total Other Income		-	4,051
Total Revenue and Other Income		1,316,634	1,390,668

Note 3 Tax Expense

	Note	2015 $	2014 $
(a) The components of tax (expense)/income comprise:			
Current tax		(57,067)	(61,648)
		(57,067)	(61,648)
(b) The prima facie tax on profit before income tax is reconciled to income tax as follows:			
Prima facie tax payable on profit before income tax at 30% (2014: 30%)		57,067	61,648
Income tax attributable to entity		57,067	61,648
The applicable weighted average effective tax rates are as follows:		30.0%	30.0%

Note 4 Key Management Personnel Compensation

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	2015 $	2014 $
Director's wages	178,948	179,121
Director's superannuation	7,158	7,799
	186,106	186,920

Note 5 Dividends

	Note	2015 $	2014 $
Distributions paid:			
Declared fully franked ordinary dividend of $20,000 (2014: $4,166.67) per share franked at the tax rate of 30% (2014: 30%)		240,000	50,000

Note 6 Cash and Cash Equivalents

	Note	2015 $	2014 $
Cash at bank		8,017	46,071
Cash on hand		12	12
		8,029	46,083

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2015 $	2014 $
Cash and cash equivalents	8,029	46,083
	8,029	46,083

Note 7 Trade and Other Receivables

	Note	2015 $	2014 $
CURRENT			
Trade receivables		7,455	20,409
Total current trade and other receivables		7,455	20,409

Note 8 Other assets

	2015 $	2014 $
CURRENT		
Prepaid rent	12,516	11,823
	12,516	11,823
NON-CURRENT		
Loan to Mcleod Investment Trust	-	81,492
	-	81,492

Note 9 Property, Plant and Equipment

	2015 $	2014 $
LAND AND BUILDINGS		
Buildings at:		
Building at cost	58,852	58,852
Accumulated depreciation	(3,979)	(2,572)
Total land and buildings	54,873	56,280
PLANT AND EQUIPMENT		
Computer at cost	100,579	55,610
Accumulated depreciation	(56,133)	(34,173)
	44,446	21,437
Motor Vehicle - at cost		
Motor Vehicle	181,927	181,927
(Accumulated depreciation)	(39,965)	(9,991)
	141,962	171,936
Total plant and equipment	186,408	193,373
Total property, plant and equipment	241,281	249,653

(a) Movements in carrying amounts

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

	Buildings $	Plant and Equipment $	Motor Vehicle MV $	Total $
Balance at 1 July 2013	57,723	30,123	-	87,846
Additions	-	6,635	181,927	188,562
Depreciation expense	(1,443)	(15,321)	(9,991)	(26,755)
Carrying amount at 30 June 2014	56,280	21,437	171,936	249,653
Additions	-	44,969	-	44,969
Depreciation expense	(1,407)	(21,960)	(29,974)	(53,341)
Carrying amount at 30 June 2015	54,873	44,446	141,962	241,281

Note 10 Trade and Other Payables

	Note	2015 $	2014 $
CURRENT			
Unsecured liabilities:			
Amounts payable to:			
Electricity expenses payable		16,672	13,490
Income received in advance		33,431	23,186
GST payable account		3,918	(932)
	10(a)	54,021	35,744

Note 11 Borrowings

	Note	2015 $	2014 $
CURRENT			
Lease liability	11(c)	29,973	29,973
Total current borrowings		29,973	29,973
NON-CURRENT			
Lease liability	11(c)	111,989	141,963
Total non-current borrowings		111,989	141,963
Total borrowings		141,962	171,936

(a) Total current and non-current secured liabilities:

	2015	2014
Bank loan	141,962	171,936
	141,962	171,936

Note 12 Tax Balances

	2015 $	2014 $
CURRENT		
Income tax payable	8,880	30,519
	8,880	30,519

Note 13 Issued Capital

	2015 $	2014 $
$12 (2014: $12) fully paid ordinary shares	12	12
	12	12

Note 14 Events after the Reporting Period

No material events occurred after balance sheet date and to the date of this report requiring disclosures.

Note 15 Cash Flow Information

	2015 $	2014 $
(a) Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	133,157	143,845
Non-cash flows in profit		
— Depreciation and amortisation	53,341	26,755
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
— Increase/(decrease) in trade and other receivables	12,954	(10,907)
— (Increase)/decrease in other assets	(693)	(261)
— Increase/(decrease) in trade and other payables	18,277	(46,308)
— Increase/(decrease) in income taxes payable	(21,639)	4,536
	195,397	117,660

Note 16 Company Details

The registered office of the company is:
SANITY HOLDINGS PTY LTD
LEVEL 11, 42-60 ALBERT STREET, BRISBANE QLD 4000

The principal place of business is:
SANITY HOLDINGS PTY LTD
118 MAIN AVENUE, WINDSOR QLD 4030

SANITY HOLDINGS PTY LTD
ABN: 62153351663
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of SANITY HOLDINGS PTY LTD , the directors declare that:

1. The financial statement and notes, as set out on pages 1 to 12.
   (a) are in accordance with the accounting policies described in Note 1 to the financial statements; and
   (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the company.
2. In the director's opinion there are reasonable grounds to believe that the company will b eale to pay its debts as and when they become due and payable.

Director

ANDREW PAUL MCLEOD

Dated this 29 day of October 2015

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SANITY HOLDINGS PTY LTD

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Sanity Holdings Pty Ltd which comprises the balance sheets as at 30 June 2014 and 30 June 2015, the statement of comprehensive income, statement of changes in equity and 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. The financial report has been prepared by Sanity Holdings Pty Ltd based on the financial reporting provisions of the Share Sale Agreement dated 9 September 2015 between Impirical Pty Ltd and AMH Holdings Pty Ltd ("the Contract").

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report (a) that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial report and (b) in accordance with the financial reporting provisions of the Contract. The directors have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Contract and the needs of the users. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Opinion

In our opinion, the financial report of Sanity Holdings Pty Ltd, in all material respects:

(a) presents fairly the financial position of Sanity Holdings Pty Ltd as at 30 June 2014 and 30 June 2015 and its financial performance and cash flows for the year ended 30 June 2015 in accordance with the accounting policies described in Note 1 to the financial statements; and

(b) is prepared in accordance with the financial reporting provisions of the Contract.

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Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist Sanity Holdings Pty Ltd to comply with the financial reporting provisions of the Contract referred to above and for use in the issue of a prospectus and proposed capital raising by Over the Wire Holdings Limited (formerly Impirical Pty Ltd). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Sanity Holdings Pty Ltd, AMH Holdings Pty Ltd and Over the Wire Holdings Limited and should not be distributed to or used by parties other than Sanity Holdings Pty Ltd, AMH Holdings Pty Ltd or Over the Wire Holdings Limited.

PKF HACKETTS

PKF HACKETTS AUDIT

Liam Murphy
Partner

Brisbane, 29 October 2015