8COMMON LIMITED & ITS CONTROLLED ENTITIES
ACN 168 232 577

ASX APPENDIX 4E
RESULTS FOR ANNOUNCEMENT TO THE MARKET
PRELIMINARY FINAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2014

1. Reporting Period

Current Reporting Period 25 February 2014 (incorporation date) to 30 June 2014
Previous Reporting Period – N/A

2. Results for announcement to the market

Revenue from ordinary activities for the period	$1,147,501
Profit from ordinary activities after tax for the period attributable to members	$127,933
Net Profit after tax for the period attributable to members	$127,933

EPS	**As at 30/06/2014**	**As at 30/06/2013**
Basic earnings per share	0.71 cents per share	N/A
Diluted earnings per share	0.71 cents per share	N/A

NET TANGIBLE ASSET BACKING	**As at 30/06/2014**	**As at 30/06/2013**
Net tangible assets per share	(0.06) cents per share	N/A

3. Financial Results

The consolidated profit of the Group for the period from incorporation (25 February 2014) to 30 June 2014 after providing for income tax amounted to $127,933.

Over the last twelve months the Canadian business has increased marginally over the prior year results with little to no increase in costs associated to this. Whereas the Australian based business has been stable over the last year with results comparable to the same time last year.

The Balance Sheet shows $356,163 in Cash at Bank and $554,815 in Accounts Receivable against Trade and other Payables of $824,506. Total equity of the Group as at 30 June 2014 shows surplus assets of $3,395,485.

4. Commentary on Results

The results include a range of costs associated with the acquisition of the Expense8 business and certain costs associated with the listing, which occurred following the period end. Whilst the Net Profit after tax is $127,933 other factors need to be taken into consideration when reviewing this number. During the period to 30 June 2014 there was $68,813 in depreciation and amortisation costs as well as $162,793 in one off Acquisition and Listing related costs that were expensed.

The unaudited March 2014 aggregated result (per the prospectus) showed $530,562 whilst the current period shows $212,830 (pre tax). During the period to 30 June 2014 there was $68,813 in depreciation and amortisation costs, $162,793 in one off Acquisition and Listing related costs and approximately $65,000 in head office costs that were expensed and were not in the corresponding period last year.

5. Dividends

The Company has not paid dividends and is not proposing to pay dividends.

6. Statement of profit or loss and other comprehensive income with notes

Refer to attached unaudited financial report.

7. Statement of financial position with notes

Refer to attached unaudited financial report.

8. Statement of changes in equity

Refer to attached unaudited financial report.

9. Statement of cash flows

Refer to attached unaudited financial report.

10. Segment results

Refer to attached unaudited financial report.

11. Details of entities over which control has been gained or lost

On 3 March 2014, 8common Limited acquired 100% of the ordinary share capital of Business Information Services (NSW) Pty Limited for a total consideration of $2.5m, payable in 3 tranches.

On 31 March 2014, 8common Limited acquired 100% of the ordinary share capital of Realtors8 Pte Ltd (previously known as 8capita Solutions Pte Ltd) for a total consideration of $3.2m.

On 9 May 2014, 8common Limited incorporated Expense8 Pte Ltd in Singapore as a wholly owned subsidiary for the purpose of holding Intellectual Property.

A list of wholly owned entities ultimately controlled by 8common Limited as at 30 June 2014 is as follows:

Subsidiary	Country of Incorporation
Business Information Services (NSW) Pty Limited	Australia
Expense8 Pte Ltd	Singapore
Realtors8 Pte Ltd	Singapore
0966058 BC Ltd	Canada
Combustion Labs Media Inc	Canada

12. Details of associates and joint venture entities

The consolidated entity had no associates or joint venture entities during the period ended 30 June 2014.

13. Other factors

Refer to attached unaudited financial report.

14. Status of audit and description of likely disputes or qualifications

This preliminary final report is in the process of being audited. No matters have arisen which would result in a dispute or qualification at this time.

8common Limited and its Controlled Entities
30 June 2014
Unaudited Summary Financial Report

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 25 FEBRUARY 2014 TO 30 JUNE 2014

	2014
	$
REVENUE FROM CONTINUING OPERATIONS	1,147,501
EXPENSES FROM CONTINUING OPERATIONS	
Cost of services	(11,538)
Employee and contractor costs	(482,398)
Occupancy expenses	(46,359)
Administration expenses	(220,381)
Borrowing costs	(40,019)
Depreciation and amortisation	(68,813)
Acquisition expenses	(61,923)
Other expenses from ordinary activities	(3,240)
NET PROFIT BEFORE INCOME TAX	**212,830**
Income tax expense	(84,897)
NET PROFIT FOR THE PERIOD	**127,933**
Other comprehensive income – translation of foreign subsidiaries	47,444
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	175,377
Earnings per share	
Basic earnings per share – cents per share	0.71
Diluted earnings per share – cents per share	0.71

The accompanying notes form part of these unaudited summary financial statements

8common Limited and its Controlled Entities
30 June 2014
Unaudited Summary Financial Report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	30 June 2014 $
Current assets		
Cash		356,163
Trade and other receivables		554,815
Other assets - prepayments		241,457
Total current assets		**1,152,435**
Non current assets		
Intangible assets	3	5,801,657
Property, plant and equipment		26,603
Deferred tax assets		35,360
Total non-current assets		**5,863,620**
Total assets		**7,016,055**
Current liabilities		
Trade and other payables		824,505
Financial liabilities – convertible notes	4	1,836,000
Financial liabilities – deferred consideration		390,225
Provisions		44,457
Tax liabilities		68,788
Total current liabilities		**3,163,975**
Non current liabilities		
Financial liabilities – deferred consideration		426,177
Provisions		30,418
Total non current liabilities		**456,595**
Total liabilities		**3,620,570**
Net assets		**3,395,485**
Shareholders' equity		
Contributed equity	6	3,220,108
Retained profits		127,933
Foreign currency translation reserve		47,444
Total shareholders' equity		**3,395,485**

The accompanying notes form part of these unaudited summary financial statements

8common Limited and its Controlled Entities
30 June 2014
Unaudited Summary Financial Report

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 25 FEBRUARY 2014 TO 30 JUNE 2014

	Contributed Equity $	Retained earnings $	Reserves $	Total $
BALANCE AT INCORPORATION	**-**	**-**	**-**	**-**
Comprehensive income				
Profit for the period	-	127,933	-	127,933
Other comprehensive income	-	-	47,444	47,444
Total comprehensive income	**-**	**127,933**	**47,444**	**175,377**
Transactions with owners, in their capacity as owners, and other transfers				
Issue of shares	3,220,108	-	-	3,220,108
Share issue costs	-	-	-	-
BALANCE AT 30 JUNE 2014	**3,220,108**	**127,933**	**47,444**	**3,395,485**

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD 25 FEBRUARY 2014 TO 30 JUNE 2014

	2014 $
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts from operating activities	875,756
Interest received	977
Payments to suppliers and employees	(637,441)
Income tax paid	-
Net cash generated in operating activities	239,292
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Australian subsidiary – net of cash acquired	(1,938,680)
Purchase of Singaporean group – net of cash acquired	280,229
Net cash used in investing activities	(1,658,451)
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from issue of ordinary shares	-
Proceeds from convertible notes	1,800,000
Net cash provided by financing activities	1,800,000
NET INCREASE IN CASH HELD	380,841
Cash and cash equivalent at beginning of financial period	-
Effects of changes in exchange rates	(24,678)
CASH AT CASH EQUIVALENTS AT THE END OF THE PERIOD	356,163

The accompanying notes form part of these unaudited summary financial statements

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preliminary financial report has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E.

The consolidated financial statements of 8common Limited (the Company or Parent Entity) as at and for the period ended 30 June 2014 comprise the Company and its subsidiaries (Consolidated Group or Group).

The directors have prepared the Unaudited Summary Financial Report on the basis that the Consolidated Group is a reporting entity because there are users dependent on general purpose financial statements. The financial statements are therefore general purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001.

Except as otherwise stated, the financial information has been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to present for inclusion in an unaudited financial report in Australia.

The financial information has been prepared on an accruals and historical cost basis and is presented in Australian dollars.

a) Significant accounting judgments, estimates and assumptions

Management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made. Actual results may differ from these estimates under different assumption and conditions and may materially affect the financial results or the financial position reported in future periods.

b) Significant accounting judgments

Impairment models on goodwill

Key estimates

i. Impairment – goodwill

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

The impairment models for the goodwill balances incorporate growth rates in Australian and Canadian revenues and expenses have been factored into valuation models for the next five years on the basis of management's expectations regarding the Group's continued ability to capture market share from competitors. The rates used incorporate an allowance for inflation. Pre-tax discount rates have been used in all models. Goodwill is considered to be sensitive to these assumptions and is carried in the statement of financial position at a written-down value of $3,997,389. No impairment has been recognised in respect of goodwill at the end of the reporting period.

ii. Provision for impairment of receivables

The directors have considered the recoverability of all trade receivable balances and they are of the opinion that no impairment provision is necessary. This estimate is based on their judgement.

c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d) 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.

e) Property, Plant and Equipment

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

The carrying amount of property, plant and equipment is reviewed annually by Officers of the 8common Group to ensure it is not in excess of the recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The depreciable amounts of all fixed assets is depreciated on a straight line basis over their estimated useful lives commencing from the time the asset is held ready for use.

f) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of 8common Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

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 is recognised (subject to certain limited exemptions).

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 in 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 business combinations, 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.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f) Principles of Consolidation (cont)

Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates except for Expense8 Pte Ltd which is incorporated in Singapore but has a functional and presentation currency of Australian dollars. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional currency.

Transactions and balances

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

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

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

Group companies

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

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

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed.

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;

(ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and

(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value re-measurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f) Principles of Consolidation (cont)

Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored being not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

The accounting for the business combinations is considered provisional.

Intangibles Other than Goodwill

Intellectual Property - Software

Software is recognised at cost of acquisition. These assets are deemed to have a infinite life, however the directors have assessed a useful life of five (5) years and are carried at cost less accumulated amortisation and any impairment losses. These assets will be assessed for impairment on an annual basis.

g) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the 8common Group prior to the end of the period and which are unpaid. The amounts are unsecured and are paid in accordance with supplier terms.

h) Financial Liabilities

Convertible notes

All loans and borrowings are initially recognized at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings and subsequently measured at amortised cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognised.

Deferred consideration

The carrying value of the deferred consideration balances relate to earn-out clauses in relation to the acquisition of the operating entities. The directors have recognised these amounts in the financial statements as they believe the payment of these amounts are considered probable. Amounts expected to repaid later than 12 months from 30 June 2014 have been discounted in order to arrive at a net present value.

i) Employee Entitlements

Short-term employee benefits

Provision is made for the Group'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.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Employee Entitlements (cont)

The Group'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. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions 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. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group 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.

Defined contribution superannuation benefits

All Australian employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (currently 9.25% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

j) Taxation

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 profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are 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 outside 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.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

j) Taxation (cont)

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.

Tax Consolidation

8common Limited and its wholly owned Australian subsidiary (Business Information Services (NSW) Pty Limited) have formed an income tax consolidated group under tax consolidation legislation as of 3 March 2014. Each entity in the 8common Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The 8common Group notified the Australian Taxation Office that it had elected to form an income tax consolidated group as of 3 March 2014.

k) Contributed equity

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.

l) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Annual license fees for Australian revenues streams are recognised as revenue upon invoice date as all relevant and significant activities to ensure continued service and functionality of the product have been performed by the company.

Realtor8 license fees are billed on a monthly basis and the revenue from these fees is recognised at the completion of the month.

Interest revenue is recognised using the effective interest method.

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

(m) Consumption Taxes

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

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(m) Consumption Taxes (cont)

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

n) New and Amended Accounting Policies Adopted by the Group

Consolidated financial statements

The Group adopted the following Australian Accounting Standards, together with the relevant consequential amendments arising from related Amending Standards, from the mandatory application date of 1 January 2013:

–AASB 10: Consolidated Financial Statements;

AASB 10 provides a revised definition of "control" and may result in an entity having to consolidate an investee that was not previously consolidated and/or deconsolidate an investee that was consolidated under the previous accounting pronouncements.

The Group has applied these Accounting Standards with retrospective effect in accordance with their transitional requirements. The Group has:

–presented quantitative information of the comparative period reflecting the adoption of AASB 10; and

–with respect to any previously unconsolidated investee that is a business, measured the assets, liabilities and non-controlling interests as if the investee had been consolidated in accordance with the applicable version of AASB 3: Business Combinations from the date when the Group gained control of the investee. When the date that control was obtained was earlier than the beginning of the immediately preceding period, the Group recognises, as an adjustment to equity at the beginning of the comparative period, any difference between:

-the amount of assets, liabilities and non-controlling interests recognised; and

-the previous carrying amount of the Group's involvement with the investee.

The first-time application of AASB 10 did not result in any changes to the group's financial statements.

Employee benefits

The Group adopted AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) from the mandatory application date of 1 January 2013. The Group has applied these Standards retrospectively in accordance with AASB 108 and the transitional provisions of AASB 119.

The transitional provisions of AASB 119 also prohibit an entity from adjusting the carrying amount of any assets outside the scope of AASB 119 for changes in employee benefit costs that were included in the carrying amount before the date of initial application. The Group does not recognise any of the cost of providing defined benefit arrangements to employees as a part of the carrying amounts of any assets outside the scope of AASB 119, such as inventory or property, plant and equipment. Accordingly, this transitional provision was not relevant to the Group in applying AASB 119.

The adoption of AASB 119 (September 2011) and AASB 2011–10 did not result in material changes to the accounting for employee benefits that will significantly impact amounts recognised in the Group's financial statements.

AASB 119 (September 2011) also changed the accounting for short-term employee benefits, actuarial gains and losses arising from obligations for defined benefits and termination benefits. These changes, however, did not have a material impact on the Group's financial statements.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the purpose of measurement, AASB 119 (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. Previously, the Group had separated provisions for benefits with similar characteristics, such as annual leave, sick leave and long service leave, into short- and long-term portions, and applied the relevant measurement approach under AASB 119 to the respective portions. As the Group expects that most employee benefits will be taken more than 12 months after the end of the period in which the benefits were earned, most of the obligations for these employee benefits are now measured on a discounted basis. However, as the Group expects most employee benefits to be taken within 24 months of the reporting period in which they were earned, this change did not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements. Note also that these changes do not impact the classification of leave entitlements between current and non-current liabilities in the Group's financial statements.

Fair value measurement

The Group has applied AASB 13: Fair Value Measurement and the relevant consequential amendments arising from the related Amending Standards prospectively from the mandatory application date of 1 January 2013 and in accordance with AASB 108 and the specific transitional requirements in AASB 13.

No material adjustments to the carrying amounts of any of the Group's assets or liabilities were required as a consequence of applying AASB 13. Nevertheless, AASB 13 requires enhanced disclosures regarding assets and liabilities that are measured at fair value, and fair values disclosed in the Group's financial statements. These enhanced disclosures will be included in the 30 June 2014 year end annual report.

The disclosure requirements in AASB 13 need not be applied by the Group in the comparative information provided for periods before initial application of AASB 13 (that is, periods beginning before 1 January 2013). However, as some of the disclosures now required under AASB 13 were previously required under other Australian Accounting Standards, such as AASB 7: Financial Instruments: Disclosures, the Group has provided this previously provided information as comparatives in the current reporting period.

NOTE 2 OPERATING SEGMENTS

The Group has three (3) reportable segments, as described below, which are the groups strategic business units. The Group has identified its business units based on internal reports that are reviewed on a monthly basis and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The following summary describes the operations in each of the Group's reportable geographic segments:

- Australia: Expense8 is a Travel & Expense management software solution that manages and streamlines the end-to-end processing of employee generated expenses. By using Expense8, clients' administration of expenses charged to corporate credit cards is made easier.
- Singapore: Houses the Realtors8 and Expense8 Intellectual Property of the Group.
- Canada: Realtors8 is a Content Management System (CMS) and Customer Relationship Management (CRM) Solution primarily targeting realtors. The comprehensive solution provides personalised, customer-branded websites, integrated to multiple listing services (MLS), syndication and marketing tools which enable the realtors to generate traffic, leads and maintain relationships with their clients.

The revenue and net profit figures below are based on the period from incorporation (or acquisition date, refer to Note 5) to 30 June 2014.

	Australia $	Singapore $	Canada $	Total $
Revenue				
External fees	877,360	34,163	269,164	1,180,687
Intersegment license fees				
Interest revenue	977	-	-	977
Total segment revenue	878,337	34,163	269,164	1,181,664
Reconciliation of segment revenue to group revenue:				
Intersegment elimination	-	-	-	(34,163)
Total group revenue				**1,147,501**
Segment net profit from continuing operations before tax	341,001	20,280	29,343	390,624
Head office charges	-	-	-	(177,794)
Total group profit before tax				**212,830**
Segment assets	3,069,479	1,686,280	6,808,712	11,564,471
Head office	-	-	-	203,666
Intersegment eliminations				(4,752,082)
				7,016,055
Segment liabilities	736,794	-	808,795	1,545,589
Head office				2,156,199
Intersegment eliminations				(81,218)
				3,620,570

NOTE 3 INTANGIBLES

	As at 30 June 2014 $
Goodwill arising on acquisition of Business Information Services (NSW) Pty Limited	1,445,075
Goodwill arising on acquisition of Realtors8 Pte Ltd and its controlled entities Limited	2,552,314
Intellectual property – Expense8	833,000
Less: accumulated amortisation	(13,882)
	819,118
Intellectual property – Realtors8	1,037,000
Less: accumulated amortisation	(51,850)
	985,150
	5,801,657

NOTE 4 FINANCIAL LIABILITIES – CONVERTIBLE NOTES

	As at 30 June 2014 $
Convertible notes	1,800,000
Accrued interest	36,000
	1,836,000

The convertible notes attract interest at 6% and are repayable from the proceeds of the initial public offering, which occurred on 26 August 2014.

NOTE 5: BUSINESS COMBINATIONS

On 3 March 2014, 8common Limited acquired 100% of the ordinary share capital of Business Information Services (NSW) Pty Limited for a total consideration of $2.5m, payable in 3 tranches.

	$
Purchase consideration	
Cash	2,102,718
Contingent consideration	410,035
Total consideration	**2,512,753**
Less:	
Cash	164,038
Receivables	120,128
Intellectual property	833,000
Property, plant and equipment	24,397
Deferred tax assets	26,028
Income tax receivable	25,444
Payables	(62,415)
Provisions	(62,942)
Identifiable assets acquired and liabilities assumed	1,067,678
Goodwill arising on acquisition	**1,445,075**

On 31 March 2014, 8common Limited acquired 100% of the ordinary share capital of Realtors8 Pte Ltd (previously known as 8capita Solutions Pte Ltd) for a total consideration of $3.2m.

	$
Purchase consideration	
Cash	-
Shares	3,200,000
Total consideration	**3,200,000**
Less:	
Cash	280,229
Receivables and prepayments	49,266
Intellectual property	1,037,000
Goodwill	2,075,231
Payables	(294,844)
Deferred consideration	(397,011)
Foreign exchange adjustment	(26,954)
Identifiable assets acquired and liabilities assumed	2,722,917
Goodwill arising on acquisition	**477,083**

NOTE 6: CONTRIBUTED EQUITY

Issued capital (30 June 2014: 40,000,000)

	Date	Price	No.	$
Share issued upon incorporation	25 February 2014	$1	120	120
Shares issued for nil consideration	26 February 2014	-	1,800,000	-
Shares issued to employees	31 March 2014	$0.10	199,880	19,988
			2,000,000	20,108
Share split – conversion on a 1 for 4 basis	31 March 2014	N/A	8,000,000	-
Shares issued to acquired subsidiary	31 March 2014	$0.10	32,000,000	3,200,000
			40,000,000	3,220,108

NOTE 7: EARNINGS PER SHARE

	30 June 2014
Weighted average number of ordinary shares	17,985,185
Consolidated net profit after tax	127,933
Basic and diluted earnings per share (cents)	0.71

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to period end on 27 August 2014, the company successfully listed on the ASX raising a total of $3,500,000 (before share issue costs), being 14,000,000 shares at an issue price of $0.25. The shares under the IPO were allotted on 15 August 2014.

Subsequent to period end on 26 August 2014, the company repaid the balance of the convertible notes (including interest) amounting to $1,852,964 from the proceeds of the Initial Public Offering as disclosed in the replacement prospectus dated 26 June 2014.

No other subsequent events have occurred that require disclosure or amendment to the Appendix 4E.