Report Card Pty Ltd

ABN 39 092 598 859

Interim Financial Report for the Half-Year Ended 31 December 2015

Report Card Pty Ltd
ABN 39 092 598 859

Corporate Directory

Directors

Gregory D'Arcy
Anthony Raymond Cunningham
Steven Craig James
Alec Christopher Pismiris

Company Secretary

Gregory D'Arcy

Registered and Principal Office

Level 3,
40 St Georges Terrace,
Perth
WA 6000

Auditor

Ernst & Young
11 Mounts Bay Road,
Perth
WA 6000

Bankers

Westpac Banking Corporation
109 St Georges Terrace,
Perth
WA 6000

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Directors' Report

The Board of Directors present their report, together with the interim financial statements of Report Card Pty Ltd ("the Company" or "Report Card") for the half-year ended 31 December 2015.

Directors

The names of the Directors of Report Card Pty Ltd in office during the half-year and until the date of this report are:

- Gregory D'Arcy
- Anthony Raymond Cunningham (resigned 25 February 2016)
- Geoffrey Michael Reilly (appointed 25 February 2016)
- Steven Craig James (appointed 15 December 2015)
- Alec Christopher Pismiris (appointed 15 December 2015)

All Directors were in office from the beginning of the half-year until the date of this report unless otherwise stated.

Principal activities

Report Card Pty Ltd operates HotCopper, Australia's number one stock market internet discussion forum. HotCopper is the largest internet discussion forum in relation to the Australian stock market and has become a popular source of research and discussion for a wide range of investors. In addition, HotCopper is an investor relations tool for ASX-listed companies seeking access to HotCopper's substantial user base of retail and sophisticated investors and self-managed superannuation funds.

HotCopper currently generates revenue from commercial and corporate advertising.

Review of operations

The profit after tax for the half-year ended 31 December 2015 was $350,851 (31 December 2014: $236,735).

Events after balance date

On 19 April 2016, the Company signed a heads of agreement with the vendors of 708Placements Pty Ltd for Report Card to acquire the remaining shareholding in 708Placements Pty Ltd that it does not already own for $60,000.

No other matters or circumstances have arisen since 31 December 2015 that have significantly affected or may significantly affect:

- The Company's operations in future financial years; or
- The results of those operations in future financial years; or
- The Company's state of affairs in future financial years.

Signed in accordance with a resolution of the Board of Directors

Gregory D'Arcy
Director

7 June 2016

Report Card Pty Ltd
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Statement of Comprehensive Income
For the Half-Year Ended 31 December 2015

	Note	31 December 2015	31 December 2014
		$	$
Revenue	3	1,180,128	975,099
Other income	4	160,930	5,596
Employee benefits expense		(313,521)	(264,465)
Depreciation and amortisation		(27,921)	(28,350)
Commissions paid		(75,404)	(67,085)
Share of loss of an associate		(6,847)	-
Other expenses		(413,683)	(282,602)
Profit before income tax		503,682	338,193
Income tax expense	5	(152,831)	(101,458)
Profit for the year attributable to members of the Company		350,851	236,735
Other comprehensive Income			
Amounts that may be subsequently reclassified to profit or loss:			
Fair value gain on available-for-sale financial assets		6,800	-
Total comprehensive income for the year attributable to members of the Company		357,651	236,735
Earnings per share attributable to members			
Basic and diluted earnings per share	6	153.747	103.740

Report Card Pty Ltd
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Statement of Financial Position
As at Half-Year Ended 31 December 2015

	Note	31 December 2015	30 June 2015
		$	$
CURRENT ASSETS			
Cash Assets			
Cash and cash equivalents	7	469,985	911,301
Trade and other receivables	8	376,368	341,536
TOTAL CURRENT ASSETS		846,353	1,252,837
NON-CURRENT ASSETS			
Available for sale financial assets	9	108,800	116
Investment in an associate	10	33,153	40,000
Property, plant & equipment	11	20,360	8,303
Intangibles	12	449,085	458,027
Other receivables		7,989	7,989
TOTAL NON- CURRENT ASSETS		619,387	514,435
TOTAL ASSETS		1,465,740	1,767,272
CURRENT LIABILITES			
Trade and other payables	13	94,266	108,649
Provisions		140,270	186,637
Current tax liability		139,638	205,899
TOTAL CURRENT LIABILITES		374,174	501,185
NON-CURRENT LIABILITES			
Deferred tax liabilities		37,592	-
Provisions		736	-
TOTAL NON CURRENT LIABILITES		38,328	-
TOTAL LIABILITIES		412,502	501,185
NET ASSETS		1,053,238	1,266,087
EQUITY			
Issued & paid up capital	17	370,650	370,650
Available for sale reserve		6,800	-
Retained earnings		675,788	895,437
TOTAL EQUITY		1,053,238	1,266,087

Report Card Pty Ltd
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Statement of Changes in Equity
For the Half-Year Ended 31 December 2015

Half year ended 31 December 2014	**Share capital**	**Retained Earnings**	**Available for sale reserve**	**Total**
	$	**$**	**$**	**$**
Balance at 1 July 2014	650,195	302,259	-	952,454
Profit for the half-year	-	236,735	-	236,735
Fair value gain on available-for-sale financial assets	-	-	-	-
Total comprehensive income	-	236,735	-	236,735
Return of Capital	(279,545)	-	-	(279,545)
Balance at 31 December 2014	370,650	538,994	-	909,644

Half year ended 31 December 2015	**Share capital**	**Retained Earnings**	**Available for sale reserve**	**Total**
	$	**$**	**$**	**$**
Balance at 1 July 2015	370,650	895,437	-	1,266,087
Profit for the half-year	-	350,851	-	350,851
Fair value gain on available-for-sale financial assets	-	-	6,800	6,800
Total comprehensive income	-	350,851	6,800	357,651
Dividends paid	-	(570,500)	-	(570,500)
Balance at 31 December 2015	370,650	675,788	6,800	1,053,238

Report Card Pty Ltd
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Statement of Cash Flows
For the Half-Year Ended 31 December 2015

	Note	31 December 2015 $	31 December 2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,193,163	1,151,326
Payments to suppliers and employees		(880,597)	(600,966)
Interest received		8,524	5,792
Income tax (paid) / received		(21,552)	67,527
Net cash provided by operating activities	14	299,538	623,679
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of available for sale financial assets		(102,000)	-
Proceeds from sale of available for sale financial assets		131	-
Purchase of property, plant and equipment		(41,316)	(139,729)
Net cash used in investing activities		(143,185)	(139,729)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(570,500)	-
IPO associated costs		(27,169)	-
Payment for return of capital		–	(279,545)
Net cash used in financing activities		(597,669)	(279,545)
Net (decrease)/increase in cash and cash equivalents		(441,316)	204,405
Cash and cash equivalents at beginning of financial period		911,301	321,190
Cash and cash equivalents at end of financial period	7	469,985	525,595

1. General Information and Basis of Preparation

General information

The interim financial statements of Report Card Pty Ltd ("the Company" or "Report Card") were authorised for issue in accordance with a resolution of the directors on 7 June 2016.

Report Card Pty Ltd is a limited company, incorporated and domiciled in Australia. The Group's principal activities are described in the Directors Report.

Basis of preparation

The interim financial report for the six months ended 31 December 2015 is a condensed general purpose financial report prepared in accordance with AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The interim financial report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the Annual Financial Report.

In preparing the interim financial report, which covers the first six month period of the Company's first Australian-Accounting Standards Financial Statements, the Company has applied AASB 1 First-time Adoption of Australian Accounting Standards ("AASB 1"). The Company's financial statements for the year ended 30 June 2015 were prepared in the form of special purpose financial statements and complied with the recognition and measurement but not all the disclosure requirements of Australian Accounting Standards. Accordingly, except as required by AASB 1, the Company has adopted all Australian Accounting Standards and Interpretations effective 1 July 2015 and applied these retrospectively. The adoption of these Standards and Interpretations has had no material impact on:

- the total equity as at 30 June 2014, 31 December 2014 and 30 June 2015; and
- the net profit after tax or cash flows for the half year ended 31 December 2014 and 31 December 2015 or the year ended 30 June 2015.

The half-year Financial Report should be read in conjunction with the Annual Financial Report of Report Card Pty Ltd as at 30 June 2015.

Summary of Significant Accounting Policies

The interim financial statements have been prepared on an accruals basis and are based on historical costs except for the revaluation of the available for sale financial asset. The material accounting policies that have been adopted in the preparation of this management accounts are presented below.

(a) Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and balances

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

(b) Plant and Equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation is calculated over the estimated useful life of the asset as follows:

	Method	**Useful Lives**
Office Equipment	Reducing Balance	3-14

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 carrying amount. These are included in profit or loss.

(c) Impairment of Non-Financial Assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value (less costs of disposal) and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(d) Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised in profit or loss.

(e) 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 balance sheet.

(f) Intangible Assets - Software Development

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

(a) the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
(b) its intention to complete and its ability and intention to use or sell the asset;
(c) how the asset will generate future economic benefits;
(d) the availability of resources to complete the asset; and
(e) the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of website development cost is based on a straight-line method over a 10 year period and matched to the future economic benefits over the useful life of the project. The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance date.

(g) Provisions

Provisions are recognised when the Company 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.

Where the Company expects some or all of a provision to be reimbursed, 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 profit and loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(h) 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 recording 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 the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

(i) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the specific criteria have been met for each of the Company's activities as described below:

Advertising income

Revenue from advertising services is recognised when the services have been performed and the fair value of the consideration for the services provided can be reliably measured. Revenue from the provision of advertising on websites is recognised in the period the advertisements are placed or the impression occurs.

Interest income

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

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 taxation authority 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 taxation authority, are presented as operating cash flows.

(k) Investments in Associate Entity

Associates are all entities over which the Company has significant influence but not control or joint control, generally accompanying a shareholding of between approximately 20% and 50% of the voting rights. Investments in Associates are accounted for using the equity method of accounting. On initial recognition investment in associates are recognised at cost. The Company's share of the post-acquisition profits or losses of Associates are recognised in the Statement of Comprehensive Income, and its share of post-acquisition movements in reserves is recognised in Other Comprehensive Income. The cumulative post acquisition movements are adjusted against the carrying amount of the investment.

(l) Trade and Other Payables

These amounts represent liabilities for goods or services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Income Tax

Current Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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.

The carrying amount of deferred tax assets is reviewed at each reporting 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 tax asset to be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 reporting date.

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

(n) 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.

(o) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised 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. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies.

(p) Financial Assets

Initial recognition and measurement

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

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date (the date that the Company commits to purchase or sell the asset).

The Company's financial assets include cash and short-term deposits, trade and other receivables and loans and other receivables.

Subsequent measurement

Available for sale ("AFS") financial assets

AFS financial assets, comprising principally of marketable equity securities, are non-derivatives that are either designated in this category or not classified in any other category. Realised and unrealised gains and losses arising from changes in the fair value of these assets are recognised in equity in the period in which they arise.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a" pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

Impairment of financial assets
For AFS financial assets, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss – is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised in other comprehensive income.

The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Company evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

(q) Fair Value Measurement
The carrying amount of financial assets and liabilities recorded in the management approximate their fair values. For financial instruments carried at fair value, the Company uses various methods in estimating fair value. The methods comprise:
Level 1 – the fair value is calculated using quoted prices in an active market.
Level 2 – the fair value is estimated using inputs other than quoted prices included in the Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(r) Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at balance date.

(s) Government Grants (R&D Tax Rebate)
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2. Segment Information

The Company has identified its operating segments based on the internal reports that are reviewed by the Board in assessing performance and determining the appropriate allocation of the Company's resources. The Company also has had regard to the qualitative thresholds for the determination of operating segments.

For management purposes the Company is organised into one operating segment, which involves the operation of the Hotcopper website.

All significant operating decisions are based upon analysis of the Company as one segment. The financial results of this segment are equivalent to the financial statements of the Company as a whole.

The accounting policies applied for internal reporting purposes are consistent with those applied in preparation of the financial statements.

3. Revenue

	31 December 2015 $	31 December 2014 $
From continuing operations		
Revenue from Advertising Services	1,180,128	975,099

4. Other Income

	31 December 2015 $	31 December 2014 $
R&D Tax Incentive Rebate	149,669	-
Other Income	11,261	5,596
	160,930	5,596

5. Income tax

	31 December 2015 $	31 December 2014 $
(a) The components of income tax expense comprise		
Current tax	115,239	101,458
Deferred tax	37,592	-
	152,831	101,458
(b) The prima facie tax on operating profit before income tax is reconciled to the income tax as follows		
Prima facie tax payable on operating profit before income tax at 30% (2014:30%)	151,104	101,458
Adjust tax effect of:		
Non-deductible expenses and other items	1,727	-
	152,831	101,458

(c) Amounts charged or credited directly in equity
There is no deferred income tax in the current or prior year related to items charged directly to equity.

(d) Unrecognised temporary differences
At 31 December 2015, there are no unrecognized temporary differences.

6. Earnings Per Share (EPS)

	31 December 2015 $	31 December 2014 $
Basic and diluted earnings per share	153.747	103.740
Net profit after income tax	350,851	236,735
Weighted average number of ordinary shares	2,282	2,282

The Company has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic earnings per share.

7. Cash and Cash Equivalents

	31 December 2015	30 June 2015
	$	$
Cash at Bank	469,785	911,101
Cash on Hand	200	200
	469,985	911,301

8. Trade and Other Receivables

	31 December 2015	30 June 2015
	$	$
Trade Debtors	324,342	334,656
Prepayments	52,026	6,880
	376,368	341,536

9. Available for sale financial assets

	31 December 2015	30 June 2015
	$	$
Listed Securities at Fair Value	108,800	116

10. Investment in associate

	Ownership Interest		31 December 2015	30 June 2015
	31 Dec 2015	30 Jun 2015	$	$
Investment in 708 Placements	50%	50%	33,153	40,000

11. Property, Plant & Equipment

	Office Equipment $
At June 2015	
Cost	39,138
Accumulated depreciation	(30,835)
Net book amount	8,303
Opening net book amount at 1 July 2014	12,513
Depreciation charge	(4,210)
Closing net book amount at 30 June 2015	8,303
At December 2015	
Cost	53,054
Accumulated depreciation	(32,694)
Net book amount	20,360
Opening net book amount at 1 July 2015	8,303
Additions	13,916
Depreciation charge	(1,859)
Closing net book amount at 31 December 2015	20,360

12. Intangibles

	Website development cost $
At June 2015	
Cost	518,696
Accumulated depreciation	(60,669)
Net book amount	458,027
Opening net book amount at 1 July 2014	357,585
Additions	152,284
Depreciation charge	(51,842)
Closing net book amount at 30 June 2015	458,027
At December 2015	
Cost	535,816
Accumulated depreciation	(86,731)
Net book amount	449,085
Opening net book amount at 1 July 2015	458,027
Additions	27,400
R&D tax rebate on website development costs	(10,280)
Depreciation charge	(26,062)
Closing net book amount at 31 December 2015	449,085

13. Trade and Other Payables

	31 December 2015	30 June 2015
	$	$
Trade Creditors	46,256	41,399
GST Payable	37,781	51,934
Accruals	10,229	15,316
	94,266	108,649

14. Cash Flow Information

Reconciliation of cash flow from operations with profit for the period	31 December 2015	31 December 2014
	$	$
Profit after income tax for the period	350,851	236,735
Non-cash flows in profit		
Net gain on disposal of available for sale financial assets	(14)	-
Depreciation and amortisation	27,921	28,350
Loss on market value of shares	-	196
Share of loss of an associate	6,847	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease in trade and other receivables	10,314	176,227
Increase in prepayments	(17,977)	(8,220)
Increase in trade and other payables	4,857	7,387
(Decrease)/ Increase in income taxes payable	(74,115)	168,985
Increase in Deferred Tax Liability	47,895	-
Increase / (Decrease) in provisions	55,724	(4,430)
(Decrease)/ Increase in trade payable	(19,239)	9,878
(Decrease)/ Increase in other payables	(93,526)	8,571
Net cash provided by operating activities	299,538	623,679

15. Related Party Transactions

	31 December 2015	31 December 2014
	$	$
Bookkeeping services provided by CPS Capital Group, an entity related to a director of the Company	15,250	9,000

All transactions with related parties were made on terms equivalent to those that prevail in arm's length transactions.

16. Dividends Paid or Provided For

A dividend amounting to $570,500 was declared paid during the half year (31 December 2014: Nil).

17. Issued Capital

	31 December 2015 Number	30 June 2015 Number	31 December 2015 $	30 June 2015 $
(a) Share Capital				
Ordinary shares	2,282	2,282	370,650	370,650

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(b) Capital Risk Management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure balancing the interests of all shareholders.

The Board will consider capital management initiatives as is appropriate and in the best interests of the Company and shareholders from time to time, including undertaking capital raisings, share buy-backs, capital reductions and the payment of dividends.

The Company has no external borrowings.

18. Contingent Liabilities and Commitments

	31 December 2015	30 June 2015
Operating leases	$	$
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	24,428	23,983
Later than one year but not later than five years	31,738	44,064
Later than five years	-	-
	56,166	68,047

Other than the above, there are no other contingent liabilities and commitments at 31 December 2015.

19. Financial Instruments

The fair value of financial assets and financial liabilities of the Company approximated their carrying amount.

20. Events After Balance Date

On 19 April 2016, the Company signed a heads of agreement with the vendors of 708Placements Pty Ltd for Report Card to acquire the remaining shareholding in 708Placements Pty Ltd that it does not already own for $60,000.

The members of Report Card Pty Ltd have entered into an agreement with HotCopper Holdings Limited ("HotCopper") to sell their respective interest in Report Card Pty Ltd in exchange for cash and shares in HotCopper ("the Sale Agreement"). HotCopper is currently in the process of listing on the Australian Securities Exchange ("ASX"). Completion of the Sale Agreement is conditional on HotCopper listing on the ASX and raising the required capital.

No other matters or circumstances have arisen since 31 December 2015 that have significantly affected or may significantly affect;

- The Company's operations in future financial years; or
- The results of those operations in future financial years; or
- The Company's state of affairs in future financial years.

Report Card Pty Ltd
ABN 39 092 598 859
Directors' Declaration

The Directors declare that:

(a) In the directors' opinion, the financial statements and notes thereto have been prepared in compliance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' as disclosed in Note 1 and giving a true and fair view of the financial position and performance of the consolidated entity for the half-year ended 31 December 2015; and

(b) In the director's opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors dated:

On behalf of the Directors

Gregory D'Arcy
Director

7 June 2016

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Report on the Half-Year Financial Report to the members of Report Card Pty Ltd

We have reviewed the accompanying half-year financial report of Report Card Pty Ltd, which comprises the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the accompanying financial report is not presented fairly, in all material respects, in accordance with AASB 134 Interim Financial Reporting. As the auditor of Report Card Pty Ltd, ASRE 2410 also requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year financial report of Report Card Pty Ltd does not present fairly, in all material respects, the company's financial position as at 31 December 2015 and its financial performance and its cash flows for the half-year ended on that date, in accordance with AASB 134 Interim Financial Reporting.

Ernst & Young

Ernst & Young

D A Hall

D A Hall
Perth
7 June 2016