

Appendix 4E

Preliminary Final report to the Australian Stock Exchange (ASX)

Name of Entity:	SIV Asset Management Limited (ASX: SAM)
ABN:	39 143 194 165
Financial Year Ended:	30 June 2016
Previous Corresponding Reporting Period:	30 June 2015

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2016 \$'000	Percentage increase/ (decrease) over corresponding period
Revenue from continuing operations	503	-23.1%
Profit for the year from continuing operations	293	206.9
Net profit for the year attributable to members	293	118.0
Dividends	Amount per security	Franked amount per security
Final 2016 dividend per share	Nil	n/a
Interim 2016 dividend per share	Nil	n/a
Previous corresponding period	Nil	n/a

Net Tangible Asset Backing

	2016 \$	2015 \$
Net tangible asset per security	0.0313	0.0051

Dividend Information

Ex-dividend date	n/a
Record date	n/a
Payment date	n/a
Details of any dividend reinvestment	n/a

There was no gain or loss of control of entities during the current period

ANNUAL GENERAL MEETING

The annual general meeting will be held as follows: 10 April 2017.

AUDIT REVIEW STATUS

This report is based on accounts to which one of the following applies:

- 1. The accounts have been audited (refer attached)
- 2. The accounts are in the process of being audited.
- 3. The accounts have been subject to review
- 4. The accounts have not yet been audited or reviewed.

SIV Asset Management Limited

ABN 39 143 194 165

Annual Report For the year ended 30 June 2016

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Corporate Governance Statement

The Board of Directors and management of SIV Asset Management Limited (formerly known as Aurora Funds Limited, the “Company” or “SAM”) and the entity it controlled (the “Group”) is committed to maintaining best practice in corporate governance, to achieving and demonstrating the highest standards of accountability and transparency and see the continued development of a cohesive set of corporate governance policies and practice as fundamental to the success of the Group.

A description of the Group’s main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place for the entire year. The group has adopted what it believes to be the appropriate corporate governance policies and practices having regard to its size and the nature of its activities. The practices comply with the ASX Corporate Governance Principles and Recommendations.

At 30 June 2016, SAM’s corporate governance policies and practices meet the requirements of both the *Corporations Act 2001* (Cth) (Corporations Act) and the Listing Rules of the Australian Securities Exchange (ASX). In formulating its policies, the Group has endeavoured, as far as practicable, to be consistent with the ASX Corporate Governance Council’s ‘Corporate Governance Principles and Recommendations – 3rd edition’ released in March 2014 (ASX Principles). If there are instances where the Group is unable to comply with the ASX Principles, the Group has provided information within this report as to the reasons it has been unable to comply.

This statement is current as at 30 June 2016, and has been approved by the Board of SAM.

1. Lay solid foundations for management and oversight

Role and responsibilities of the Board

The Board has the primary responsibility for the oversight, management and performance of the Group which includes compliance with the Group’s corporate governance objectives.

The Board charter sets out, amongst other things the board requirements as described below:

- duties and responsibilities of the Board;
- powers of the Board;
- delegation to senior management;
- number and independence of directors;
- term of office of non-executive and executive directors;
- terms of appointment;
- responsibilities of the chair;
- Board proceedings;
- Board committees and delegation;
- evaluation of Board performance;
- directors’ indemnity and insurance;
- independent advice and access to information;
- related party transactions; and
- disclosures of interests.

The Board has in place procedures to assess the performance of executives, including the Managing Director. For the Managing Director, this process is ultimately decided by the Chairman who reviews the performance of the Managing Director across a range of key areas including profitability, business planning, stakeholder management and team leadership. For other executives, the Managing Director reviews each executive’s performance across the same key areas.

Role of management

Management is responsible for all matters not specifically the responsibility of the Board and for implementing the strategy and performance objectives of the Group and its day to day operations.

The Board has granted specific delegated authorities to management, including developing and implementing the Group’s strategies, business plans and annual budgets, managing the risk and compliance framework, the day to day management and administration of the Group and ensuring compliance with applicable laws and regulations. The Board oversees the activities of management and provides strategic guidance. Even though the Board do not meet for formal Board Meetings as regularly as the Board of a publicly listed company should, the Board do meet on an informal basis to discuss the directive of the Group where required. There is also constant telephone and e-mail contact between Management and the Board.

Corporate Governance Statement

The Company Secretary is responsible for the operation and management of the Group's secretariat function. The Company Secretary has a dual reporting line to the Managing Director and the Chairman (on behalf of the Board) with respect to the proper functioning of the Board.

2. Structure the board to add value

Board composition

The size and composition of the Board is determined by the Board within the parameters set by the Company's Constitution which requires that there are no less than three and no more than 10 directors.

The Board has three executive directors and an independent chairman. The managing director is Mr Simon Lindsay. The other executive directors are Mr John Corr and Mr Ian Steuart Roe. Mr Oliver Morgan is the independent non-executive chairman.

Directors' independence

Directors are expected to bring separate views and professional judgment to the Board's deliberations.

The Board has reviewed the position and associations of each of the directors in office, and last financial year has appointed an independent non-executive chairman.

Whilst the Board has considered ASX Recommendation 2.1 (independent majority of directors), it considers that this recommendation is better suited to a Group with a necessarily large Board. Given the size and cohesion of the Board, and the fact that the executive directors also make up the Group's senior management. The Board considers that it has the relevant experience in the industry in which it operates and is appropriately structured to discharge its duties in a manner that is in the best interest of the Group and its shareholders from both a long term strategic and operations perspective.

Board members

Details of the members of the Board, their experience, expertise, qualifications, term of office, relationships affecting their independence and their independent status are set out in the directors' report under the heading 'Information on directors'.

Commitment

The Board in previous years committed to meeting at least four times a year on a formal basis, but due to a lack of activity during the 2016 financial year, no formal Board meetings were held. The Board do meet on an informal basis to discuss the directive of the Group where required. There is also constant telephone and e-mail contact between Management and the Board. Going forward the Board will endeavour to meet more frequently. On the invitation of the Board others may be invited to attend and make presentations at Board meetings. In addition, the Board may hold conference calls and strategic planning sessions with consultants and or advisors at which the Group's strategic plans are reviewed and agreed.

The number of meetings of the Group's board of directors held during the year ended 30 June 2016, and the number of meetings attended by each director is disclosed on page 9.

Board committees

It is the role of the Board of directors to monitor the management of the Group and the Board may establish appropriate committees to assist in this role. At the date of this statement, no committees have been established. The role of both and audit and remuneration committees is undertaken by the Board.

In the event that any committee is established by the Board, the Board may adopt a committee charter in respect of the committee, addressing the composition, responsibilities, administration and any other matters the Board determines relevant to such committee.

Corporate Governance Statement

3. Promote ethical and responsible decision making

Code of Conduct

The Group has established a Code of Conduct which outlines the acceptable standards of behaviour and attitudes expected from staff. The purpose of this Code of Conduct is to:

- Articulate the high standards of honest, ethical and law-abiding behaviour that the Group expects of its staff;
- Encourage the observance of those standards so as to protect and promote the interests of shareholders; and
- Set out the responsibilities and accountabilities of Directors to report and investigate reports of unethical practices.

Security Trading

The Group has established a Security Trading Policy which applies to all staff, directors and officers. The aim of the policy is to ensure that public confidence is maintained in the Group's employees and the trading of shares in the Company.

The Security Trading Policy prohibits trading in the Company's shares by persons in possession of non-public inside information and regulates trading during trading windows and blackouts.

Under the policy, staff, directors and officers must obtain approval from the Chairman or a Director to trade in the Company's shares. Details of any trades of shares in the Company must be provided to the Company Secretary.

4. Safeguard integrity in financial reporting

In accordance with section 295A of the *Corporations Act 2001*, the Managing Director and acting Chief Financial Officer have declared in writing to the Board that the financial records of the Group for the financial year have been properly maintained and the Group's financial statements present a true and fair view of the financial position and performance and are in accordance with relevant accounting standards.

Deloitte Touche Tohmatsu is the current auditor for the Group. The Board reviews the results of the external audit process annually to determine if it is necessary to replace the external auditors for performance or independence reasons.

External auditors are required to make an annual independence declaration, addressed to the Board, declaring that the auditors have maintained their independence in accordance with relevant accounting standards and the rules of the professional auditing standards.

As at the date of this statement, no board committees have been established by the Group. Given the size and scope of the Group's operations, the Board considers that board committees will add no positive value.

5. Make timely and balanced disclosure

The Group has a policy to ensure compliance with the continuous disclosure requirements of the ASX Listing Rules and the *Corporations Act 2001*. The policy requires timely disclosure of any information concerning the Group that a reasonable person would expect to have a material effect on the price of the Group's securities, subject only to the exclusions identified in the ASX Listing Rules.

The Group was not able to lodge the 2016 Annual Financial Statements on time. This resulted in the Company being suspended by the ASX. The Group has employed additional resources and is working to rectify this situation and to make sure that all compliance obligations have been met.

The Managing Director and the Company Secretary have been appointed as the persons responsible for communicating with the ASX. These people are also responsible for ensuring compliance with the continuous disclosure requirements of the ASX rules.

Corporate Governance Statement

6. Respect the rights of shareholders

The Group is committed to providing shareholders and the market with timely information regarding the Group. It does this by:

- Continuously reporting development through the ASX Announcements Platform;
- Reporting of results via half yearly financial report and the annual report;
- Encouraging shareholder participation at the Annual General Meeting and other general meetings and allowing adequate time to address any queries or questions put by shareholders; and
- Requiring the attendance of the external auditor at the Annual General Meeting and to be available to answer questions concerning the conduct of the audit and the preparation and content of the Auditor's Report.

7. Recognise and manage risk

The Board recognises that the identification, assessment and management of risks is vital to the growth and success.

The Board and management recognise that having a well-developed system in place for risk management is an integral part of good management practice. The Group actively promotes a culture of compliance and risk management awareness with the aim of ensuring all activities comply with laws, regulations, policies and procedures.

The Group has a risk management policy in place, in addition, reports are provided to the Board on issues such as compliance, insurance, and financial issues as and when they are required for input and approval from the Board. Management is ultimately responsible to the Board for the Group's system of internal control and risk management.

The Managing Director and the Chief Financial Officer provide the Board with an annual written statement that the statement given with respect to the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

8. Remunerate fairly and responsibly

In the past, the senior executive team were required to sign a formal employment contract at the time of their appointment. This covered a range of matters including their duties, rights, responsibilities and any entitlements on termination. The standard contract refers to a specific formal job description. In the future when senior executives are employed, they will be required to sign a formal employment contract.

The Board is responsible for the review of the performance of the Board and senior management. The review of the managing director is carried out, and approved by, the Board. The performance of senior management (that is, those who report directly to the Managing Director) is reviewed at the end of each financial year by the Executive Directors.

At the review:

- a) performance objectives and development plans are set (having regard to both the corporate goals set by the Board and individual performance goals) for the forthcoming financial year; and
- b) individual performance is assessed against last year's performance objectives and the amount of "at risk" remuneration to be paid and securities to be granted under the Group's incentive plan is determined by reference to that individual's performance.

During the 2016, financial year no salaries were paid to the executive team and as such a performance review was not undertaken by the Board.

Directors' Report

The Directors of SIV Asset Management Limited (formerly known as Aurora Funds Limited) (ASX: SAM) present their report on SIV Asset Management Limited ("SAM" or "the Company"), and the entity it controls (the "Group") for the year ended 30 June 2016.

Directors

The following persons were directors of the Group during the whole or part of the financial year and up to the date of this report unless otherwise indicated:

John Corr
Simon Lindsay
Steuart Roe
Oliver Morgan

Principal activities

In May 2016 changes to the Significant Investor Visa (SIV) programme occurred. The principal activity of the Group prior to this date was the management of the two Funds. The Group actively pursued foreign investors into the two Funds. The Group is now seeking opportunities to design products that comply with the new investment framework for the Significant Investor Visa and Premium Investor Visa in accordance with Federal Government proposed changes. The Group will continue to receive income from a few investors over the life of the investments.

The Group will also seek investment opportunities that are consistent with its activities and which the Directors believe could have the potential to generate shareholder returns.

Financial results for the year

The consolidated profit before tax attributable to shareholders of SIV Asset Management Limited was \$293,137 (2015: operating profit \$569,091). The consolidated profit after tax attributable to shareholders of SIV Asset Management Limited was \$293,137 (2015: loss \$1,626,395). Please refer to the consolidated statement of profit or loss and other comprehensive income on page 14 for further information.

Review and results of operations

Significant Investor Visa (SIV) programme

Up until the Federal Government made changes to the SIV programme in May 2016, the Group made loans that were secured against units in an underlying significant investor visa fund and repayable during 2018-2020. The nominal value of the loans and receivables is \$139,373,000 (\$2015: \$74,403,000) which have been discounted to present value, with the net gains/(loss) on initial recognition and interest recognised in the statement of profit or loss and other comprehensive income. During the 2016 financial year loans with a nominal value of \$64,970,000 (2015: \$65,500,000) were made.

Strategy and future outlook

Future revenue growth will depend upon the Group's ability to successfully comply with the new investment framework for the Significant Investor Visa and Premium Investor Visa in accordance with Federal Government proposed changes made in May 2016. The Group will still be generating income over the terms of agreements currently in place.

Significant changes in state of affairs

There are no other significant changes in the state of affairs of the Group occurring during the financial year, other than as disclosed in this report.

Subsequent to the end of the financial year, the Company announced in the Notice of the Annual General Meeting dated 10 March 2017 that it would be seeking approval from the shareholders to redeem the Notes the Company currently has on issue to the SIV Investment Fund and the Orion Investment Options Fund ("Notes") for their face value and the loans ("Loans") corresponding to the Notes be transferred to Pritchard Equities Limited for their face value.

Other than the up-front profit component, economically the Notes and Loans are essentially on the same commercial terms and so represent equal and opposite assets and liabilities of the Group.

The Company will pay a net fee to the manager of the Funds of \$114,000 in consideration of the manager arranging for the Funds and Pritchard Equities Limited to take over the ongoing administration of the Loans.

Directors' Report

In the event that the shareholders approve the proposed transfer of Loans and redemption of Notes, the directors intend to review various options in relation to the company including seeking investment opportunities within the funds management / financial services industry.

Matters subsequent to the end of the financial year

Other than the transfer of Loans and redemption of Notes detailed above, there are no matters or circumstance that have arisen since 30 June 2016 that have significantly affected, or may significantly affect:

- (i) the operations of the Group in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Group in future financial years.

Likely Developments and Expected Results

The Group will seek to design products that comply with the new investment framework for the Significant Investor Visa and Premium Investor Visa in accordance with announcements to be made by Austrade.

Environmental regulation

The Group's operations are not subject to any particular, or significant environmental regulations under a Commonwealth, State or Territory law.

Dividends

No dividend was declared and payable to shareholders for the period to 30 June 2016 (2015: 1.0 cents).

The Group is subject to the Australian corporate tax rate of 30%.

Auditor's Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13.

Non-audit services

An accrual has been raised for non-audit services to be provided by Deloitte Touche Tohmatsu, the auditors of the Group. Details of the expected costs are detailed below. The Directors have considered the position and are satisfied, given the nature and scope of the non-audit services that the provision of the non-audit services during the year by the auditor is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Amounts paid or payable to the auditors of the Group for non-audit services provided during the year

	2016
Tax compliance services*	22,500

* Accrued charges for preparation and lodgement of the 2015 and 2016 tax returns.

Insurance of officers

During the financial year, the Group paid premiums in respect of a contract insuring the directors of the Group and all executive officers of the Group against any liability incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Group, other than conduct involving a wilful breach of duty in relation to the Group. The contract of insurance prohibits disclosure of the amount of the premium.

Indemnity of Auditors

The Group has agreed to indemnify the auditors under certain circumstances as permitted in the *Corporations Act 2001*.

Proceedings on behalf of the Group

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

Directors' Report

Information on directors

The qualifications, experience and responsibilities of each person who has been a director of SIV Asset Management Limited at any time during or since the end of the financial year are provided below.

Simon Lindsay

B. BUS, Managing Director, Head of Distribution, Age 45

Simon is the Managing Director and a founding director of SIV Asset Management Limited. He brings to the Group over 22 years' experience in financial services, and has an extensive knowledge of the Australian financial planning market from his previous business development experience at both Challenger International Limited and Ord Minnett Limited.

John Corr

B Comm, Executive Director, Chief Investment Officer, Age 53

John is an Executive Director and a founding director of SIV Asset Management Limited. John was the founder of Fortitude Capital Pty Ltd ("Fortitude"). Fortitude is a subsidiary of the Company. John has over 28 years' experience in the financial markets. Prior to establishing Fortitude, he was a director at Citigroup Global Markets Australia. He worked in proprietary trading for eight years, trading local and overseas equities and equity derivatives, and was responsible for the management and development of a team of equity proprietary traders.

Ian Steuart Roe

BSc MAppFin, Executive Director, Age 49

Steuart is an Executive Director and a founding director of SIV Asset Management Limited. Steuart was the founder of Sandringham Capital Pty Ltd, which was a subsidiary of the Company until it was deregistered in 2013. Prior to founding Sandringham Capital Pty Ltd in 2005, Steuart was Executive Director and Head of Equity Risk Management Products for UBS in Australasia. His responsibilities included the origination, structuring and distribution of equity derivative and cash products to corporate, financial intermediaries and retail clients. From 1992 to 2001 he worked for Citigroup (formerly Salomon Smith Barney and County NatWest) holding numerous roles including, Director and Head of Corporate and Retail Equity Derivative Products, Head of Equity Risk Management, Associate Director and Portfolio Manager Structured investments.

Oliver Morgan

B.E. Civil B.A. Accounting, Grad Dip Fin PI, Current Independent Non-Executive Chairman of the Board, Age 71

Oliver is the Independent Non-Executive Chairman of SIV Asset Management Limited. Oliver has over 42 years' experience in stockbroking, corporate banking and funds management. Prior to his appointment as Chairman, Oliver served as an Executive Director of Aurora Funds Management Limited ("AFML") and has held numerous business development roles in stockbroking, local and international banks and financial services companies. Oliver is responsible for the existence of an effective strategic planning program and for the consideration of future development possibilities of the Group. He acts as an advisor for the Managing Director and other members of the Board.

Company Secretary

The Company Secretary is Ms Betty Poon B.Bus (Acc) CA. Betty was appointed to the position of Company Secretary on 31 January 2014. She also holds the position of Chief Financial Officer. Prior to joining SIV Asset Management Limited, Betty held a number of senior finance roles at ANZ, JP Morgan, Aviva Investors and Pitcher Partners.

Directors' Report

Shares issued on the exercise of options

No shares were issued during or since the end of the financial year as a result of exercise of options. No options have been issued over the share capital of the Group.

Directors' Meeting

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director.

Director	Number of Board Meetings Held		Number of Board Meetings Attended	
	2016	2015	2016	2015
John Corr	-	4	-	4
Simon Lindsay	-	4	-	4
Oliver Morgan	-	4	-	4
Ian Steuart Roe	-	4	-	4

Remuneration report (audited)

This remuneration report outlines the remuneration arrangements of the Group for the year ended 30 June 2016. It details the remuneration arrangements for Key Management Personnel (KMP) of the Group who are identified as those persons and corporate entities having authority and responsibility for planning, directing and controlling activities of the Group, directly or indirectly.

In the 2016 financial year, the KMP for the Group included a Non-Executive Director and Executive Directors as set out below:

Name	Position	Term as KMP
Non-Executive Director		
Oliver Morgan	Independent Chairman	Full Year
Executive Directors		
Simon Lindsay*	Managing Director	Full Year
John Corr	Director	Full Year
Ian Steuart Roe	Director	Full Year

* Simon Lindsay replaced Ian Steuart Roe as Managing Director on 18 November 2014.

The Board does not grant options to KMP under its remuneration policy.

Directors' Report

Remuneration report (audited)

1. Remuneration Policy

The Group aims to provide remuneration that is competitive in the market and linked to the Group's long term growth and value. The Board of directors seeks to ensure that the Group attracts and retains talented and motivated employees who can enhance business performance through their contributions and leadership. All staff were employed and remunerated by SIV Asset Management Limited with all contracts for service being on a continuing basis, up until the date of the sale of AFML in March 2015 to Keybridge Capital Limited ("Keybridge Group"). Post the sale of AFML, all staff were offered employment contracts with the Keybridge Group.

The nature and extent of remuneration is reviewed and agreed upon annually by the Board. Remuneration of employees is made up of the following components:

Fixed remuneration: includes base salary and employer superannuation contributions. All employees, including directors, have salary reviews on an annual basis. When making changes to an individual's base remuneration the Board as a whole considers the employee's responsibilities, historic performance and length of employment with the Group, as well as the applicable industry rate.

Performance bonuses: all employees are eligible for a bonus based on a number of eligibility criteria. These include the Group achieving profitability target of each business line. This ensures that the level of bonuses paid is directly linked to the financial performance of the Group. Upon meeting this criteria, a bonus pool is established and allocated to different employee groups. Bonuses are paid via the short-term incentive plan described below.

Short-term incentives: refers to performance based bonuses. All employees have the opportunity to earn an annual short-term incentive (STI) if predefined targets are achieved. STI for the directors and executives in the 2016 financial year were based on the profitability target of each business line as disclosed below. These targets were set by the Board and align to the Group's strategic and business objectives. Bonus allocations will be subject to Board approval, and must include the approval of the independent chairman. In the event the independent director votes against or abstains, the Board must obtain independent advice on the fairness and reasonableness for shareholders before distributing bonuses.

Profitability Target	Available STI
\$0 to \$1,000,000	75% of profits
\$1,000,001 to \$2,000,000	66% of profits
\$2,000,001 and above	50% of profits

* The short-term incentive scheme expired on 31 December 2015.

2. Relationship between Remuneration Policy and Group Performance

The following compares financial results for the last five years to incentive payments to key management personnel:

	2016	2015	2014	2013	2012
Profit/(loss) before tax	293,137	\$569,091	\$516,167	(\$508,403)	(\$1,011,364)
Profit/(loss) after tax	293,137	(\$274,307)	\$1,079,408	(\$508,403)	(\$1,011,364)
Total performance fees from funds	-	\$38,931	\$522,479	\$498,069	\$67,524
Basic earnings per share from continuing operations	2.62	(2.50)	9.98	(5.68)	(11.31)
Total KMP short term incentives as a percentage of total income for the financial year	n/a	10.41%	7.36%	4.85%	1.42%

The above highlights the impact that performance fees have in determining the total bonus pool available to all employees including key management personnel. For further details on performance bonuses payable to all staff including key management personnel, refer to note 22.

Directors' Report

Remuneration report (audited) (continued)

3. Remuneration Summary of KMP

A summary of the remuneration for the directors for the financial year ended 30 June 2016 is as follows:

30 June 2016	Short-term benefits	Post-employment benefits	Short term incentive payments	Total	% Fixed Remuneration	% Remuneration linked to performance
Name	Cash salary and fees	Superannuation				
<i>Directors:</i>						
Ian Steuart Roe	-	-	-	-	-%	-%
John Corr	-	-	-	-	-%	-%
Simon Lindsay	-	-	-	-	-%	-%
Oliver Morgan	-	-	-	-	-%	-%
Total key management personnel compensation	-	-	-	-		

30 June 2015	Short-term benefits	Post-employment benefits	Short term incentive payments	Total	% Fixed Remuneration	% Remuneration linked to performance
Name	Cash salary and fees	Superannuation				
<i>Directors:</i>						
Ian Steuart Roe	183,688	12,979	-	196,667	100%	0%
John Corr	169,669	13,331	101,733	284,733	64%	36%
Simon Lindsay	162,729	13,331	187,794	363,854	48%	52%
Oliver Morgan	22,500	-	5,000	27,500	82%	18%
Total key management personnel compensation	538,586	39,641	294,527	872,754		

*This table represents 9 months up to the sale of AFML. The remaining 3 months of the financial year are incurred by AFML and have not been charged to the Group.

4. Directors' interest in shares

Number of shares** held by key management personnel and their associates:

Directors	Balance 1 July 2015	Movement	Balance 30 June 2016
Simon Lindsay	720,477	-	720,477
John Corr	1,802,314	11,500	1,813,814
Ian Steuart Roe	1,659,481	-	1,659,481
Oliver Morgan	690,696	-	690,696

** Held under voluntary escrow arrangement.

5. Loans to key management personnel

During the financial year, there were no loans to key management personnel, including their related parties. Refer to Note 23 for details of transactions with related parties. There were no other transactions with related parties during the year other than those detailed in Note 23 of the financial statements.

Remuneration report (audited) (continued)

6. Voting and comments made at the Group's 2016 Annual General Meeting

At the Group's most recent Annual General meeting, a resolution to adopt the prior year remuneration report was put to the vote and at least 75% of 'yes' votes were cast for adoption of that report. No comments were made on the remuneration report that was considered at the Annual General Meeting.

The report is made in accordance with a resolution of the Directors.



Simon Lindsay
Managing Director
3 April 2017

Independence Declaration

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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The Directors
SIV Asset Management Limited
Level 6,
2 Russell Street
Melbourne, VIC 3000

3 April 2017

Dear Sirs,

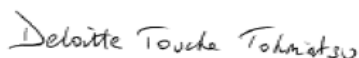
SIV Asset Management Ltd

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of SIV Asset Management Limited and the entities it controlled for part of the year.

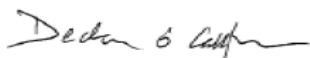
As lead audit partner for the audit of the financial report of SIV Asset Management Limited and the entities it controlled for part of the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants

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Member of Deloitte Touche Tohmatsu Limited

Financial Statements

Consolidated Statement of profit or loss and other comprehensive income for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Revenue from continuing operations			
Management fee income		461,383	597,205
Interest income from financial assets not held at fairvalue		41,996	42,282
Net gains/(losses) on loans and receivables		(6,391,660)	(11,189,722)
Net gains/(losses) on financial liabilities		6,391,660	11,189,722
Other income		-	15,400
Total income		503,379	654,887
Expenses			
Other expenses	10	210,242	85,796
Total operating expenses		210,242	85,796
Profit/(loss) before tax		293,137	569,091
Income tax benefit/(expense)	6	-	(843,398)
Profit/ (loss) for the year from continuing operations		293,137	(274,307)
Discontinued operations			
Loss for the year from discontinued operations*	9	-	(1,352,088)
Profit/(loss) attributable to shareholders of SIV Asset Management Ltd		293,137	(1,626,395)
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income/(loss) attributable to the shareholders of SIV Asset Management Ltd		293,137	(1,626,395)
Earnings per share:			
<u>From continuing and discontinued operations</u>			
Basic earnings per share (cents)	26	2.62	(14.82)
Diluted earnings per share (cents)	26	2.62	(14.82)
<u>From continuing operations</u>			
Basic earnings per share (cents)	26	2.62	(2.50)
Diluted earnings per share (cents)	26	2.62	(2.50)

* The loss for the year from discontinued operations, includes the loss on sale of the subsidiary Aurora Funds Management Limited ("AFML") in March 2015 amounting to \$1,034,467 (refer to Note 8).

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

Financial Statements

Consolidated Statement of financial position

as at 30 June 2016

	Notes	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	12	384,928	663,094
Trade and other receivables	13	155,069	96,516
Deferred expenses		330,859	72,654
Other current assets	14	111,642	817,754
Total current assets		982,498	1,650,018
Non-current assets			
Loans and receivables	14	120,304,143	61,725,802
Intangible assets	15	-	-
Total non-current assets		120,304,143	61,725,802
Total assets		121,286,641	63,375,820
Current liabilities			
Trade and other payables	16	110,836	38,800
Other current liabilities	18	50,256	1,261,423
Unearned revenue		471,469	292,995
Total current liabilities		632,561	1,593,218
Non-current liabilities			
Financial liabilities	17	120,304,143	61,725,802
Total non-current liabilities		120,304,143	61,725,802
Total liabilities		120,936,704	63,319,020
Net assets		349,937	56,800
Equity			
Share capital	19	7,709,252	7,709,252
Accumulated losses	20	(7,359,315)	(7,652,452)
Total equity		349,937	56,800

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

Financial Statements

Consolidated Statement of changes in equity for the year ended 30 June 2016

	Share capital	Accumulated profit/(loss)	Total
	\$	\$	\$
Balance at 30 June 2014	12,957,414	(5,916,342)	7,041,072
Comprehensive income for the year	-	(1,626,395)	(1,696,395)
Dividends paid	-	(109,715)	(109,715)
Dividends reinvested	84,191	-	84,191
Return of capital	(5,332,353)	-	(5,332,353)
Balance at 30 June 2015	7,709,252	(7,652,452)	56,800
Comprehensive income for the year	-	293,137	293,137
Balance at 30 June 2016	7,709,252	(7,359,315)	349,937

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

Financial Statements

Consolidated Statement of cash flows

for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers		581,303	2,269,104
Payments to suppliers and employees		(1,401,465)	(2,194,658)
Interest received		41,996	111,832
Interest and other cost of finance paid		-	(42,212)
Net cash generated by/ (used in) operating activities	25	(778,166)	144,066
Cash flows from investing activities			
Payment for plant and equipment		-	(12,665)
Loans to third parties	14	(64,970,000)	(65,500,000)
Cash derecognised from sale of subsidiary	8	-	(2,617,604)
Proceeds from sale of subsidiary	8	-	5,432,491
Net cash generated by/ (used in) investing activities		(64,970,000)	(62,697,778)
Cash flows from financing activities			
Proceeds from issue of corporate bonds	17	64,970,000	65,500,000
Repayment of receivable by third party		500,000	-
Payment of sub-ordinated debt		-	(1,000,000)
Dividends paid		-	(25,524)
Return of capital to shareholders		-	(5,332,353)
Net cash generated by / (used in) financing activities		65,470,000	59,142,123
Net increase/(decrease) in cash and cash equivalents		(278,166)	(3,411,589)
Cash and cash equivalents at the beginning of the year		663,064	4,074,683
Cash and cash equivalents at the end of the financial year	12	384,928	663,094

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

Notes to the Financial Statements

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Notes to the Financial Statements

1. General information

SIV Asset Management Limited (formerly known as Aurora Funds Limited, the “Company” or “SAM”) and the entity it controlled (the “Group”) is a listed public company incorporated in Australia (ASX Code: SAM). The address of its registered office and principal place of business are as follows:

Level 6
2 Russell Street
Melbourne VIC 3000

In May 2016 changes to the Significant Investor Visa (SIV) programme occurred. The principal activity of the Group prior to this date was the management of the two Funds. The Group actively pursued foreign investors into the two Funds. The Group is now seeking opportunities to design products that comply with the new investment framework for the Significant Investor Visa and Premium Investor Visa in accordance with Federal Government proposed changes. The Group will continue to receive income from a few investors over the life of the investments.

2. Summary of significant accounting policies

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

(a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the financial statements of the Group. For the purposes of preparing the financial statements, the Group is a for-profit entity.

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

The financial statements were authorised for issue by the directors as at the date of the directors’ report. The directors have the power to amend and reissue the financial statements.

(b) Basis of preparation

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis.

Going concern

These financial statements have been prepared on a going concern basis.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates and judgements in applying the Group’s accounting policies. Those estimates and judgements significant to the financial statements, are disclosed in Note 3.

Notes to the Financial Statements

2. Summary of significant accounting policies (continued)

(c) Application of new and revised Accounting Standard

The Group has adopted all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

AASB 1031 'Materiality'

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all of these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the disclosure or the amounts recognized in the Group's financial statements.

AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 132)'

This standard addresses inconsistencies in current practice when applying the offsetting criteria in AASB 132 'Financial Instruments: Presentation' and clarifies the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'. As the Group does not have any offsetting arrangements in place, the application of the amendments does not have any material impact on the financial statements.

AASB 2014-1 "Amendments to Australian Accounting Standards" (Part C: Materiality)

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard. The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's financial statements.

AASB 2015-5 "Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception"

These changes clarify various aspects of the investment entity requirements included in AASB 2013-5 "Amendments to Australian Accounting Standards" The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's financial statements.

(d) Accounting standards and interpretations issued but not yet effective at 30 June 2016

A number of new standards, amendments to standards and interpretations have been issued at the reporting date but are not yet effective. The Group is assessing the impact of these standards. The Group does not intend to early adopt any of the standards prior to the effective date.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers'	1 January 2017	30 June 2018
AASB 2015-01 'Accounting standards issued but not yet effective for December 2014'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	30 June 2018

Notes to the Financial Statements

2. Summary of significant accounting policies (continued)

(e) Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entity it controlled for the year and at balance date.

Details of companies controlled by the group at year end are included in Note 29. In the current year, the Group includes SAM's holding in Fortitude Capital Pty Ltd ("Fortitude"). The prior year Group, included the SAM's holding in Fortitude and fully consolidated balances of AFML until it was sold in March 2015.

Controlled entities are entities over which the Group has power over, and has exposure, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(f) Impairment of tangible and intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the 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 to sell and value in use. For the purposes of assessing impairment, assets are grouped 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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the profit or loss when the asset is derecognised.

(h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

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

The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) *Management and performance fee revenue*

Management fee revenue is recognised in profit or loss as it accrues based on the entitlements set out in the relevant investment management agreements, and listed and unlisted fund constitutions or product disclosure statements. Performance fee revenue is recognised in profit or loss when the Group's entitlement to it becomes certain, usually at the end of the period to which the fee relates.

Notes to the Financial Statements

2. Summary of significant accounting policies (continued)

Deferred revenue results when cash is received in advance of revenue being earned. Deferred revenue is recorded as a liability until it is earned. Once earned, the liability is reduced and revenue is recorded.

(ii) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

(i) Employee benefits

Liabilities for wages and salaries, performance bonuses, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash flow to be made in respect of services provided by employees up to the reporting date.

Contributions to the superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

For the 2016, financial year there were no employee benefits owing at 30 June 2016 (2015: nil). All employee benefits and obligations were transferred to AFML at the date of sale of AFML in March 2015.

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(k) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the Financial Statements

2. Summary of significant accounting policies (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects, neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and loss. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company and its wholly-owned Australian controlled entity have implemented the tax consolidation legislation. AFML exited the tax consolidation group in March 2015. Fortitude has no income for the current year.

(l) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(m) Trade 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. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group 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 60 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 within other expenses. 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 credited against other expenses in profit or loss.

2. Summary of significant accounting policies (continued)

(n) Investments and other financial assets

Classification

The Group classifies its financial assets in the following categories: loans and receivables, held-to-maturity investments and available-for-sale financial assets. At 30 June 2016, there were no held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting date.

(i) Assets carried at amortised cost

Loans and receivables are measured at amortised cost using the effective interest method to discount to present value. The effective interest rate is the rate that exactly discounts estimated future cash through the expected life of the loans and receivables, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Gains and losses on inception is recognised in the consolidated statement of profit or loss and other comprehensive income. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment testing of trade receivables is described in Note 13.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(q) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method to discount to present value. Gains and losses on inception is recognised in the consolidated statement of profit or loss and other comprehensive income.

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

Notes to the Financial Statements

2. Summary of significant accounting policies (continued)

(r) 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.

(s) Comparatives

Where required, comparative information has been reclassified for consistency with current year disclosures.

(t) Segment reporting

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

(u) 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.

(v) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares; and
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(w) Parent entity financial information

The financial information for the parent entity, SIV Asset Management Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

Notes to the Financial Statements

2. Summary of significant accounting policies (continued)

(i) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of the parent entity. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments. Refer to Note 28 for details of subsidiaries of the Group. SAM's investment in Fortitude has been fully impaired.

There were no dividends paid to the parent entity from its subsidiaries during the period ending 30 June 2016 (2015: nil).

(ii) Tax consolidation legislation

SIV Asset Management Limited and its wholly-owned Australian controlled entity have implemented the tax consolidation legislation.

The head entity, SIV Asset Management Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate the head entity for any current tax payable assumed and are compensated by the head entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the head entity under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. There were no amounts receivable/payable to the Group under the tax funding agreement at 30 June 2016 (2015: nil). On disposal, AFML in March 2015, exited the tax consolidation group. Fortitude which generated income during the previous financial year has been dormant during the current year and did not generate any income.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

3. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions concerning the future, which, by definition will seldom represent actual results. The estimates and assumption that have a significant inherent risk in respect of estimates based on future events, which could have a material impact on the assets and liabilities in the next financial year, are discussed below:

(a) Impairment of intangible assets

The Group tests annually whether intangibles have suffered any impairment, in accordance with the accounting policy stated in Note 2. During the 2015 financial year, the full amount of the intangible asset relating to AFML was written off after the sale of the AFML in March 2015.

(b) Deferred taxes

The Group recognises deferred tax assets relating to carried forward tax losses that can be utilised in future periods, based on the assumption that no adverse change will occur in the income tax legislation. At 30 June 2016, there were no deferred tax assets. During the previous financial year, the full amount of the deferred tax asset was written off due to the sale of the AFML in March 2015 and the expectation that there would be no further profits to set them off against.

Notes to the Financial Statements

3. Critical accounting estimates and judgements (continued)

(c) Unearned revenue and deferred expenses

The Group has recognised unearned revenue based on cash received in advance of revenue being earned and a corresponding liability until the revenue is earned.

The Group has recognised deferred expenses based on cash paid in advance of expenses being incurred and a corresponding asset until the expense is incurred.

(d) Loans and receivables and financial liabilities

The Group has recognised loans and receivables and financial liabilities at amortised cost using the effective interest method to discount to present value and has determined the fair value of these as outlined in note 2. The fair value has taken into account the conditions existing at balance date and the Group has used judgements and estimates in adopting a discount rate.

4. Financial Risk Management

The Group's principal financial assets comprise cash, loans and receivables. The Group's principal financial liabilities comprise trade and other payables and corporate bonds.

The Group's activities expose it to a variety of direct and indirect financial risks comprising market risk, interest rate risk, credit risk, liquidity risk and fairvalues.

(a) Market risk

There were no significant market risks that impacted the Group during the current financial year. In the previous year, the key direct risks associated with the Group were those which impacted on the registered schemes for which AFML acted as the Responsible Entity. These risks were only applicable for the period 1 July 2014 to 27 March 2015 due to the sale of AFML.

Unfavourable economic movements, both globally and within the markets in which the funds operate can have a significant impact on the investment returns of the registered schemes and the funds under management (FUM).

FUM directly correlates to the level of management fees received by the Group as management fees are based on a percentage of FUM.

FUM in relation to the Significant Investor Visa funds correlates to the number of investors applying for units in the SIV funds and management fees are received upfront.

(b) Interest rate risk

The Group's interest rate risk arises from cash held at call, term deposits and long-term borrowings.

The Group invests its excess cash in term deposits in order to mitigate interest rate fluctuations. During 2016 and 2015, the Group's borrowings at variable rate were in Australian Dollars. In April 2015, the long-term borrowing was fully repaid.

The Group has no significant direct interest rate risk as the Group does not hold interest rate sensitive financial instruments. The interest rates on deposits are rates referenced to the RBA cash rate.

The following table summarises the sensitivity of the Group's interest rate risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors including historical levels of changes in interest rates. However, actual movements in the risk variables may be greater or less than anticipated. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	-100bps	+100bps
	\$	\$
30 June 2016	(3,849)	3,849
30 June 2015	(5,751)	5,751

Notes to the Financial Statements

4. Financial Risk Management (continued)

(c) Credit risk

Credit risk for financial instruments arises from the potential failure by counterparties to the contract in meeting their obligations.

(i) Cash deposits

Credit risk for cash deposits is managed by holding all cash with major Australian banks (Westpac and Commonwealth Bank).

(ii) Loans and receivables

The Group manages credit risk by regularly monitoring loans and receivable balances throughout the year. At 30 June 2016, the Group had credit exposure with loans totalling a nominal value of \$139,373,000 (2015: \$74,403,000) from loans to individual investors and a corporate entity. These loans are as a result of investors in each of the SIV funds. The loans are secured against units in the relevant SIV fund in which the borrower is the registered holder.

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held no deposits at call (2015: \$67,232) and cash on hand of \$384,928 (2015: \$595,862) that are expected to readily generate cash inflows for managing liquidity risk.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) of cash and cash equivalents (Note 12) on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

As at 30 June 2016, the Group has sufficient liquidity resources to meet all obligations and the Group.

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Financial Statements

4. Financial Risk Management (continued)

Contractual maturities of financial liabilities	Less than 6 months	6-12 months	Over 1 year to 5 years	Total contractual cash flows	Carrying Amount (assets)/ liabilities
	\$	\$	\$	\$	\$
As at 30 June 2016					
Trade and other payables	110,836	-	-	110,836	110,836
Other current liabilities	50,256	-	-	50,256	50,256
Financial liabilities	-	-	139,373,000	139,373,000	120,304,143
Total non-derivatives	161,092	-	139,373,000	139,534,092	120,465,235

Contractual maturities of financial liabilities	Less than 6 months	6-12 months	Over 1 year to 5 years	Total contractual cash flows	Carrying Amount (assets)/ liabilities
	\$	\$	\$	\$	\$
As at 30 June 2015					
Trade and other payables	38,800	-	-	38,800	38,800
Other current liabilities	1,261,423	-	-	1,261,423	1,261,423
Financial liabilities	-	-	74,403,000	74,403,000	61,725,802
Total non-derivatives	1,300,223	-	74,403,000	75,703,223	63,026,025

(e) Fair value measurement

The Group classifies the fair value measurements of financial assets and financial liabilities using the three level fair value hierarchy set out below, to reflect the source of valuation inputs used when determining fair value:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: valuation techniques using market observable inputs either directly (as prices) or indirectly (derived from prices).
- Level 3: valuation techniques using non-market observable inputs.

No other financial assets and liabilities are measured at fair value, therefore no further disclosures have been made.

The carrying amounts of trade and other receivables and trade and other payables and borrowings are reasonable approximations of their respective fair values.

5. Segment information

The Group is organised into one main segment which operates solely in the business of funds management within Australia. The Group operates in Australia and holds all assets within Australia.

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

The Directors are of the opinion that the current financial position and performance of the Group is equivalent to the operating segments identified above and as such no further disclosure has been provided.

Notes to the Financial Statements

6. Income tax

(a) Reconciliation of income tax revenue/(expense)

	2016 \$	2015 \$
Profit/(loss) before income tax expense	293,137	569,091
Prima facie income tax expense/(benefit) at 30%	87,941	170,727
Effect of amounts which are non-deductible/(assessable) in calculating taxable income:		
Audit and tax fees	19,392	9,000
Other deductible expenses	(99,258)	(21,796)
Other assessable income	66,635	69,600
Current income tax expense relating to continuing operations	74,711	227,531
Current year income tax expense/(benefit) on discontinued operations	-	(95,286)
Total current income tax expense/(benefit)	74,711	132,245
Income tax (benefit) from previously unrecognized tax losses used to reduce current tax expense	(74,711)	(132,245)
Recognition of previously unused tax losses as deferred tax assets	-	-
Derecognition of prior year tax losses recognized as deferred tax assets	-	(711,153)
Income tax (expense)/revenue recognised in profit or loss (relating to continuing and discontinued operations)	-	(843,398)

(b) Components of income tax revenue/(expense)

Deferred tax benefit/(liability)	-	(843,398)
Income tax (expense)/revenue reported in the consolidated statement of profit or loss and other comprehensive income	-	(843,398)

The Group had unused tax losses at 30 June 2016 of ~\$3,493,676 (2015: ~\$3,565,441).

7. Deferred tax asset

	2016 \$	2015 \$
Deferred tax asset at beginning of the year	-	843,398
Written off during the year	-	(843,398)
	-	-

No deferred tax asset was recognised in the 2016 financial year. A deferred tax asset of \$843,398 was written off in the previous financial year.

Notes to the Financial Statements

8. Loss on sale of subsidiary

During March 2015 of previous financial year, the Group disposed of AFML. AFML carried out its funds management business.

Consideration received	2015
	\$
Sale of Aurora Funds Management Limited – upfront consideration	3,017,749
Sale of Aurora Funds Management Limited – deferred consideration *	-
Net assets of Aurora Funds Management Limited	2,414,742
	5,432,491

*The sale of AFML during the 2015 financial year, included a deferred consideration of \$0.8m. This was to be reduced by 2.75 cents per \$1.00 that funds under management (“FUM”) as at 26 March 2016 was less than \$150 million. At 30 June 2015 of the previous financial year FUM was \$128 million, meaning the deferred consideration would have been reduced by \$0.6m. Since 30 June 2015, FUM has continued to decline and the Group has not received the deferred consideration of \$0.8m and therefore has not recognised this in the financial statements.

As a result, the deferred return of capital announced on 29 April 2015 of the previous financial year of \$0.07 per share is not expected to be paid to shareholders and therefore this amount has not been recognised in the financial statements.

Net assets disposed of	2015
	\$
Cash and cash equivalents	2,617,604
Current assets	2,744,376
Non-current assets	20,787
Current liabilities	(785,323)
Non-current liabilities	(2,182,702)
Net assets of Aurora Funds Management Limited	2,414,742
Intangible assets	3,822,006
	6,236,748
Loss on disposal	\$
Consideration received	5,432,491
Net assets disposed of	6,236,748
	804,257
Refund on overpayment	230,210
Loss on disposal	(1,034,467)

9. Discontinued operations

In the previous financial year, the Group announced its intention to dispose of its funds management business to Keybridge Capital Limited. The sale was subsequently approved by shareholders on 24 March 2015. The discontinuing operation resulted from the sale of AFML effective 27 March 2015.

On 27 March 2015, the Group sold its shares held in AFML to Keybridge Capital Limited. With the sale of the shares, the Group no longer controlled AFML and was not required to consolidate the results of AFML from the date of the sale. This resulted in eliminating AFML’s assets and liabilities from the Group’s results in the previous financial year.

Notes to the Financial Statements

9. Discontinued operations (continued)

For the previous financial year, the combined results of the discontinued operations included in the consolidated statement profit or loss and other comprehensive income for the year are set out below.

	2016 \$	2015 \$
Profit for the year from discontinued operations		
Revenue	-	2,175,487
Expenses	-	2,493,108
Profit/(loss) before tax	-	(317,621)
Income tax benefit/(expense)	-	-
	-	(317,621)
Loss on disposal of subsidiary (see note 8)	-	(1,034,467)
Profit/ (loss) for the year from discontinued operations to shareholders of SIV Asset Management Limited	-	(1,352,088)
Cash flows from discontinued operations	\$	\$
Net cash inflows/(outflows) from operating activities	-	(90,393)
Net cash inflows/(outflows) from investing activities	-	(22,360)
Net cash inflows/(outflows) from financing activities	-	(2,052,879)
Net cash inflows/(outflows)	-	(2,165,632)

10. Other expenses

	2016 \$	2015 \$
Audit and tax fees	64,602	72,400
Company secretarial costs	40,552	-
Legal fees	3,750	-
Fund expenses	53,045	2,346
Other operating expenses	48,293	11,050
Total other expenses	210,242	85,796

11. Dividends

There following dividends were declared during the year by the Group.

	2016 \$	2015 \$
Dividend declared after year-end		
100% franked dividends at 1.0 cents per share	-	109,715

12. Cash and cash equivalents

	2016 \$	2015 \$
Cash at bank and on hand	384,928	595,862
Deposits on call	-	67,232
Total cash and cash equivalents	384,928	663,094

Notes to the Financial Statements

13. Trade and other receivables

	2016 \$	2015 \$
Trade receivables and other debtors	155,069	96,516
Recoverable costs	-	-
Total trade and other receivables	155,069	96,516

a. Impaired trade receivables

As at 30 June 2016, there were no current trade receivables that were impaired (2015: Nil).

14. Other current assets

	2016 \$	2015 \$
Prepayments	12,575	-
Receivable from Aurora Funds Management Limited*	-	230,210
Loan to Aurora Funds Management Limited**	-	500,000
Goods and service tax	99,067	87,544
Total other current assets	111,642	817,754

* The receivable from AFML was set off against the payable to Keybridge Capital Limited (refer note 18). Keybridge acquired AFML in March 2015.

** The loan to AFML was repaid in July 2015.

	\$	\$
Loan to Centenary Advisory Group	26,961,038	11,988,738
Loan to Investors of SIV Investment Fund	93,343,105	49,737,064
Total loans and receivables	120,304,143	61,725,802

Loans and receivables comprise loans made to Centenary Advisory Group Pty Ltd and Investors of SIV Investment Fund. Each loan term is for up to 4 years and has no interest. The loans are secured against units in the underlying significant investor visa fund and repayable during 2018-2020. SIV Asset Management Limited made additional loans to the SIV Investment Fund and the Orion Investment Options Fund with a notional value of \$64,970,000 during the current financial year (2015: \$65,500,000). The nominal value of the loans and receivables is \$139,373,000 (\$2015: \$74,403,000) which has been discounted to present value, with the net gains/(loss) on initial recognition and interest recognised in the consolidated statement of profit or loss and other comprehensive income.

15. Intangible assets

	2016 \$	2015 \$
Intangible balance		
Balance at 1 July	-	3,822,006
Realised/write-off from disposal of subsidiary	-	(3,822,006)
Balance at 30 June	-	-

16. Trade and other payables

	\$	\$
Current liabilities		
Trade payables	52,692	8,800
Audit fees payable	32,230	30,000
Expense accruals	25,824	-
Provision for leave	-	-
Total current liabilities	110,746	38,800

Notes to the Financial Statements

17. Financial liabilities

	2016 \$	2015 \$
Corporate Bonds	120,304,143	61,725,802
Total financial liabilities	120,304,143	61,725,802

SIV Asset Management Limited issued additional Notes to the notional value of \$64,970,000 in the current financial year (2015: \$65,500,000), totalling \$139,373,000 as at 30 June 2016 (2015: \$74,403,000) to SIV Investment Fund and Orion Investment Options Fund. The Notes are recognised at amortised cost with a term of up to 4 years and have no interest. The notional principal value of financial liabilities is \$139,373,000 (2015: \$74,403,000) which has been discounted to present value, with the net gains/(loss) on initial recognition and interest recognised in the consolidated statement of profit or loss and other comprehensive income.

18. Other current liabilities

	\$	\$
Orion Investment Fund – fees payable	30,000	49,332
Payable to Aurora Funds Management Limited	20,256	-
Payable to Keybridge Capital Limited*	-	230,210
Goods and services tax	-	46,058
SIV Investment Fund – fees payable	-	935,823
Total other current liabilities	50,256	1,261,4

* The amount owing to Keybridge capital Limited was set off against the receivable from AFML (refer note 14). Keybridge acquired AFML in March 2015.

19. Contributed equity

(a) Issued capital

	2016 \$	2015 \$
Ordinary shares	7,709,252	7,709,252
Total contributed equity	7,709,252	7,709,252

(b) Movement in ordinary share capital

	2016 Shares	2015 Shares	2016 \$	2015 \$
Ordinary shares				
Opening balance	11,167,231	10,971,497	7,709,252	12,957,414
Dividends reinvested	-	195,734	-	84,191
Return of capital	-	-	-	(5,332,353)
Total ordinary shares	11,167,231	11,167,231	7,709,252	7,709,252

Terms and conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholder meetings. In the event of the Group winding up, ordinary shareholders are entitled to proceeds in proportion to the number and amounts paid up on shares held. The shares have no par value.

Notes to the Financial Statements

19. Contributed equity (continued)

Voluntary Escrow

On 24 March 2015 of the previous financial year, a voluntary escrow deed was approved by shareholders. The Group entered an Escrow Deed with Keybridge Capital Limited (“Keybridge”) and the Directors of the Group. The escrow arrangement was to ensure that Keybridge and the Directors of the Group at the time the Escrow Deeds were finalised would control the Group for up to 5 years.

	Shares
Escrow shares	7,101,684
Ordinary shares	4,065,547
Total ordinary shares	11,167,231

Capital risk management

The Group’s capital structure consists of equity and retained earnings. The operating cash flows from the Significant Investor Funds are used to finance operating costs. The capital risk management is continuously reviewed to ensure the Group has sufficient surplus cash available to pay debts when they become due and payable.

Return of Capital

On 24 March 2015 of the previous financial year, the shareholders approved a reduction in capital of \$0.4775 per share. The return of capital was conditional upon the completion of the sale of AFML which occurred on 27 March 2015. The total return of capital was \$5,332,353.

20. Retained earnings

	2016 \$	2015 \$
Retained earnings	7,359,315	7,652,452
Balance at beginning of year	(7,652,452)	(5,916,342)
Profit/(loss) attributable to owners of the Group	293,137	(1,626,395)
Payment of dividends	-	(109,715)
Balance at end of year	(7,359,315)	(7,652,452)

21. Remuneration of auditors

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its network firm and non-related audit firms:

	2016 \$	2015 \$
Deloitte Touche Tohmatsu (DTT) Australia		
<i>Audit and other assurance services</i>		
Audit and review of financial statements*	64,640	34,000
<i>Taxation Services</i>		
Taxation compliance services**	22,500	38,400
Total remuneration of DTT audit firms	87,140	72,400

* Excluding DTT disbursements.

** Accrued amount per fee estimate from DTT for the June 15 and June 16 income tax return preparation and lodgement.

Notes to the Financial Statements

22. Related party disclosure

Key management personnel compensation

Information regarding individual directors' remuneration and shares held in the Group as required under the *Corporations Act 2001* is provided in the Remuneration report on pages 9 to 12 of this annual report.

Other than as disclosed in this note, no Director has entered a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year end. The key management personnel are disclosed within expenses in note 10.

	2016	2015
	\$	\$
Executive Directors		
Short-term employee benefits	-	805,613
Post-employment benefits	-	39,641
	-	845,254
Non-Executive Directors		
Director fees	-	27,500
	-	27,500

Key management personnel

The names of persons who were key management personnel of the Group at any time during the financial year are as follows:

Executive Directors

Simon Lindsay (Managing Director)

John Corr

Ian Steuart Roe

Non-Executive Director

Oliver Morgan (Chairman)

(a) Details of remuneration

Details of the remuneration of key management personnel are set out in the remuneration report on pages 9 to 12 and above.

(b) Key management personnel transactions

A director, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The terms and conditions of the transactions with key management personnel were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

Notes to the Financial Statements

22. Related party disclosure (continued)

The value of transactions relating to Key Management Personnel were as follows:

Related Party	Nature of Relationship	Type of Transaction	Terms and Conditions of Transactions	Aggregate Amount	
				2016 \$	2015 \$
Registry Direct	Ian Steuart Roe is a related party of Registry Direct and a director of SIV Asset Management Limited	Provision of registry services to the Group**	Normal commercial terms	117,890 ⁺	153,171
Ian Steuart Roe	Ian Steuart Roe is a director of SIV Asset Management Limited	Consulting fees for investors in the Significant Investor Visa	Normal commercial terms	53,045*	2,346*

* There are deferred expenses of \$330,859 as at 30 June 2016 (2015: \$72,654) in relation to consulting fees for the Significant Investor Visa Funds. At 30 June 2016, \$30,000 (2015: Nil) was payable to Mr Roe – refer Note 19.

** This included AFML until it was sold on 27 March 2015.

⁺ At 30 June 2016 \$1,847 (2015: nil) was owing to Registry Direct for share registry services – refer Note 19.

Holdings in managed schemes

Key management personnel holdings in managed schemes for which AFML was the responsible entity (up until the date of sale in March 2015 of the previous financial year) were as follows:

2015						
Unitholder	No. of units held opening	No. of units held closing	Fair value of investment	No. of units acquired	No. of units disposed	Distributions paid/ payable by the Fund
J Corr & associates	268,463	283,867	245,062	15,404	-	\$12,199
S Lindsay & associates	145,091	223,539	190,795	200,117	121,669	\$4,874
S Morgan & associates	12,432	13,637	34,372	1,205	-	\$2,849

(c) Transactions with managed funds

Since the sale of AFML in March 2015 of the previous financial year, there have been no fees payable to AFML as the responsible entity. All transactions with the Group and AFML as responsible entity of managed funds during the previous financial year (up until the date of sale in March 2015) were at market value on normal commercial terms and conditions. In accordance with Fund's constitutions, the Responsible Entity received responsible entity fees of \$2,175,487 and trustee fees of \$597,205 for the provision of Responsible Entity/Trustee and asset management services for the funds.

(d) Other related party transactions

For the previous financial year, there were loans and receivables from AFML and payables to Keybridge Capital Limited which are disclosed in note 14 and 18 respectively. These related to the Keybridge acquisition of AFML on 27 March 2015 and were made on normal commercial terms. During the 2016 financial year the loan and receivable were set off against each other.

23. Contingent assets and liabilities

There were no contingent assets or contingent liabilities at 30 June 2016 (30 June 2015: nil).

Notes to the Financial Statements

24. Commitments

There were no commitments at 30 June 2016 (2015: \$Nil).

25. Reconciliation of profit after income tax to net cash flow from operating activities

	2016 \$	2015 \$
Profit/(loss) from ordinary activities after income tax	293,137	(1,626,395)
<i>Adjustment of non-cash items from operating activities:</i>		
Depreciation	-	9,920
Decrease/(increase) in deferred income tax	-	843,398
Loss on sale of subsidiary	-	1,034,467
<i>Changes in assets and liabilities:</i>		
Decrease/(increase) in receivables	110,646	(1,319,140)
Decrease/(increase) in prepayments	-	-
Increase/(decrease) in payables	(960,657)	1,201,816
Net cash flows from operating activities	(778,166)	144,066

(a) Non-cash financing activities

During the year, the following dividend payments were satisfied by the issue of shares under the dividend reinvestment plan

-	84,191
---	--------

26. Earnings per share

	2016 Cents per share	2016 \$	2015 Cents per share	2015 \$
Basic earnings per share attributable to the ordinary equity holders of the Group:				
- Continuing operations	2.62	293,137	(2.50)	(274,307)
- Discontinuing operations	-	-	(12.32)	(1,352,088)
Total diluted earnings per share attributable to the ordinary equity holders of the Group:				
- Continuing operations	2.62	293,137	(2.50)	(274,307)
- Discontinuing operations	-	-	(12.32)	(1,352,088)
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share		11,167,231		10,973,088

Notes to the Financial Statements

27. Parent entity financial information

(a) Summary financial information

The individual financial information statements for the parent entity show the following aggregate amounts:

	2016 \$	2015 \$
Balance Sheet		
Current assets	982,498	1,650,018
Non-current assets	120,304,143	61,725,802
Total assets	121,286,641	63,375,820
Current liabilities	632,561	1,593,218
Non-current liabilities	120,304,143	61,725,802
Total liabilities	120,936,704	63,319,020
Shareholders' equity		
Share capital	7,709,252	7,709,252
Accumulated losses	(7,359,315)	(7,652,452)
Total equity	349,937	56,800
Profit or loss for the year from continuing operations	293,137	(274,307)
Profit or loss for the year from discontinued operations	-	(1,352,088)
Total comprehensive income	293,137	(1,626,395)

28. Group entities

The ultimate controlling party of the Group is SIV Asset Management Limited, incorporated in Australia.

Subsidiary	Country of incorporation	Ownership interest	
		2016 %	2015 %
Aurora Funds Management Limited*	Australia	-	-
Fortitude Capital Pty Ltd**	Australia	100	100

* Disposed of on 27 March 2015.

** Fortitude became dormant during the 2016 financial year.

29. Matters subsequent to the end of the financial year

Subsequent to the end of the financial year, the Group announced in the Notice of the Annual General Meeting dated 10 March 2017 that it would be seeking approval from the shareholders to redeem the Notes the Company currently has on issue to the SIV Investment Fund and the Orion Investment Options Fund ("Notes") for their face value and the loans ("Loans") corresponding to the Notes be transferred to Pritchard Equities Limited for their face value.

Other than the up-front profit component, economically the Notes and Loans are essentially on the same commercial terms and so represent equal and opposite assets and liabilities of the Group.

The Company will pay a net fee to the manager of the Funds of \$114,000 in consideration of the manager arranging for the Funds and Pritchard Equities Limited to take over the ongoing administration of the Loans.

In the event that the shareholders approve the proposed transfer of Loans and redemption of Notes, the directors intend to review various options in relation to the company including seeking investment opportunities within the funds management / financial services industry.

29. Matters subsequent to the end of the financial year (continued)

Other than the transfer of Loans and redemption of Notes detailed above, there are no matters or circumstance that have arisen since 30 June 2016 that have significantly affected, or may significantly affect:

- (i) the operations of the Group in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Group in future financial years.

Directors' Declaration

The directors of the Group declare that:

- (a) In the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;
- (b) In the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in Note 2(a) to the financial statements;
- (c) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust; and
- (d) The directors have been given the declarations of the Responsible Entity made pursuant to s295(5) of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors of SIV Asset Management Limited.



Simon Lindsay
Managing Director
3 April 2017



Deloitte Touche Tohmatsu
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Independent Auditor's Report to the members of SIV Asset Management Limited

Report on the Financial Report

We have audited the accompanying financial report of SIV Asset Management Limited ("the Company"), which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 14 to 41.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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 company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touch Tohmatsu Limited

Deloitte

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

Auditor's Independence Declaration

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

Opinion

In our opinion:


- (a) the financial report of SIV Asset Management Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 12 of the Directors' Report for the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of SIV Asset Management Limited and the entities it controlled for part for the year-ended 30 June 2016, complies with section 300A of the *Corporations Act 2001*.



DELOITTE TOUCHE TOHMATSU



Declan O'Callaghan
Partner
Chartered Accountants
Sydney, 3 April 2017

Shareholder Information

The shareholder information set out below was applicable as at 8 March 2017.

Distribution of holdings

Range	Total holders	Shares	% of issued Share
1 to 1,000	28	23,550	0.21
1,001 to 5,000	179	337,479	3.02
5,001 to 10,000	11	78,951	0.71
10,001 to 100,000	17	746,113	6.68
100,001 and over	17	9,981,138	89.38
Total	252	11,167,231	100

Largest Shareholders

The names of the 20 largest holders of ordinary units as at 8 March 2017 are listed below:

Unitholder	Number held	% of issued shares
PAUL MELLING AND ASSOCIATES PTY LTD	1,673,170	14.98
KEYBRIDGE CAPITAL LIMITED,	1,668,716	14.94
KNOXY HOLDINGS PTY LTD,	1,176,744	10.54
TRAFALGAR STREET NOMINEES <THE ROE SUPERANNUATION FUND>	878,741	7.87
MR OLIVER JOHN MORGAN <THE MORGAN FAMILY S/F A/C>, KEYBRIDGE CAPITAL LIMITED,	690,696	6.19
MR IAN STEUART ROE,	548,500	4.91
MR JOHN FREDERICK CORR,	537,010	4.81
J P MORGAN NOMINEES AUSTRALIA LIMITED	511,628	4.58
MR SIMON ANGUS LINDSAY,	493,978	4.42
S&N LINDSAY INVESTMENTS PTY LIMITED	346,373	3.10
MS JENI LULEVSKA,	319,767	2.86
MR PETER FREDERICK PHILLIPS,	243,730	2.18
RGM SUPER PTY LTD <RGM SUPER FUND A/C>, PRITDOWN PTY LTD <MCDONALD SUPER FUND A/C>, MR JOHN CORR,	228,186	2.04
CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>, MR JOHN FARMS SCOBIE,	215,667	1.93
OCTIFIL PTY LTD,	200,000	1.79
JETOSEA PTY LTD,	125,442	1.12
	122,790	1.10
	100,000	0.90
	98,284	0.88
	83,906	0.75
Total	10,263,328	91.89

Substantial Holders

Substantial holders of ordinary units as at 8 March 2017 are listed below:

Unitholder	Number of units	%
PAUL MELLING AND ASSOCIATES PTY LTD	1,673,170	14.98
KEYBRIDGE CAPITAL LIMITED	1,668,716	19.85
KNOXY HOLDINGS PTY LTD	1,176,744	10.54
TRAFALGAR STREET NOMINEES <THE ROE SUPERANNUATION FUND>	878,741	7.87
MR OLIVER JOHN MORGAN <THE MORGAN FAMILY S/F A/C>, Total	690,696	6.19
	6,088,067	59.43

Corporate Directory

Directors of Company

Oliver Morgan

John Corr

Simon Lindsay

Steuart Roe

Company Secretary

Betty Poon

Registered Office

Level 6,
2 Russell Street
Melbourne, VIC 3000

Share Register

Registry Direct
Level 6,
2 Russell Street
Melbourne, VIC 3000

Auditor and Taxation Advisor

Deloitte Touche Tohmatsu
Grosvenor Place
225 George Street
Sydney, NSW 2000

Solicitors

Baker & McKenzie
Level 27, AMP Centre
50 Bridge Street
Sydney, NSW 2000

Securities Exchange Listing

Australian Securities Exchange (ASX)
ASX Code: (SAM)