

John Bridgeman Limited ABN 55 603 477 185

Financial report for the period ended 30 June 2015

DIRECTORS' REPORT

The directors present their report together with the financial statements of John Bridgeman Limited (the Company) for the financial period ended 30 June 2015 and the auditor's report thereon.

General Information

Directors

The following persons were directors of John Bridgeman Limited during or since the end of the financial period up to the date of this report:

Stuart McAuliffe – Managing Director

John McAuliffe – Chairman and Non-Executive Director

Rosario Patane – Non Executive Director

Simon Richardson – Executive Director

Mary-Anne Greaves – Executive Director resigned 13 March 2015

Particulars of each director's experience and qualifications are set out later in this report.

Information Relating to Directors and Company Secretary

Stuart McAuliffe	–	Managing Director
Qualifications	–	BA; MEd; Grad Dip Legal Studies
Experience	–	Stuart has over 25 years' experience investing in global equity, bond, currency and commodity markets. Stuart is also an Associate Professor in the Faculty of Society and Design at Bond University. Board member and investment manager since January 2015.
Interest in Shares and Options	–	Stuart holds or has interests in entities that hold 5,550,000 ordinary shares and options to acquire a further 9,990,000 ordinary shares
John McAuliffe	–	Chairman
Qualifications	–	AM; Life Fellow Australian Property Institute; Chartered Building Professional of the Australian Institute of Building.
Experience	–	John has had a long and distinguished career in both government and private sector roles. He has also lectured extensively at both QUT and UQ in the areas of property valuation and surveying. John was awarded the Order of Australia in June 2007 for services to the community particularly through executive roles in the areas of health care, public housing management and to the property valuation industry. John was appointed Chair in March 2015 and has been a Board member since that time.
Interest in Shares and Options	–	John holds options to acquire 1,040,000 ordinary shares.

DIRECTORS' REPORT

Information Relating to Directors and Company Secretary (continued)

Ross Patane	–	Non-Executive Director
Qualifications	–	BBus, CA, MAICD; FFin
Experience	–	Ross is a chartered accountant with in excess of 25 years' experience in providing high level accounting related services. Ross is presently the Chief Executive of a leading accounting and financial services business in south Queensland and managing principal of the Brisbane office. Ross has been a board member since March 2015.
Interest in Shares and Options	–	Ross holds options to acquire 1,040,000 ordinary shares.
Simon Richardson	–	Executive Director
Qualifications	–	BEcon; BCom
Experience	–	Simon has had over 20 years of diverse national and international business experience. Simon commenced his career at a Big 4 accounting firm spending time in Australia and the United Kingdom. In 2006 Simon was a founding partner in one of the leading proprietary futures trading businesses in Australia. Simon has been a board member since January 2015 and is responsible for overseeing business operations, risk management and compliance.
Interest in Shares and Options	–	Simon holds options to acquire 1,040,000 ordinary shares.
Mrs Mary-Anne Greaves	–	Company Secretary. Resigned as Non-Executive Director 13 March 2015.
Qualifications	–	LLB; ACIS; AGIA
Experience	–	Mary-Anne has been Company Secretary since January 2015. She is Executive Director / General Counsel and Company Secretary of Wellington Capital Limited. Mary-Anne has led numerous due diligence assignments and has a strong interest in the area of corporate governance.

Dividends Paid or Recommended

No dividend has been paid or recommended during the financial period.

Indemnifying and Insurance of Officers

During the financial period, the Company entered into an agreement to indemnify, and agreed to pay insurance premiums as follows:

- The Company has paid premiums to insure all directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of directors of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The directors have not included details of the nature of the liabilities covered or the amount of the total premium paid in respect of the insurance contract as such disclosure is prohibited under the terms of the contract.

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

DIRECTORS' REPORT

Non-audit Services

The Board of Directors is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: *Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to KPMG for non-audit services provided during the period ended 30 June 2015:

	\$
Due diligence related services	14,500
	14,500

Auditor's Independence Declaration

The lead auditor's independence declaration for the period ended 30 June 2015 has been received and can be found on page 13 of the financial report.

Options

At the date of this report, the unissued ordinary shares of John Bridgeman Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
08 January 2015	31 March 2020	\$1.10	1,000
12 February 2015	31 March 2020	\$1.10	7,399,000
10 March 2015	31 March 2020	\$1.20	1,540,000
10 March 2015	31 March 2020	\$1.50	1,540,000
10 March 2015	31 March 2020	\$2.20	2,240,000
10 March 2015	31 March 2020	\$3.50	2,240,000
06 August 2015	31 March 2020	\$1.10	6,042,000
			21,002,000

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

All options noted above were granted over unissued shares of the Company during or since the end of the reporting period.

For details of options issued to directors and executives as remuneration, refer to the remuneration report.

During the period ended 30 June 2015, there were no options exercised.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

DIRECTORS' REPORT

Operating and Financial Review

Principal Activities

John Bridgeman Limited (the Company) did not commence trading during the financial year.

Once activities do commence, it is intended that the company:

- provides investment management services, growing funds under management over the medium to long term;
- invests in listed and unlisted investment companies providing moderate to high returns over the medium to long term; and
- grows a diversified income stream uncorrelated to traditional equity market investments through management fees received.

As the company did not trade, there were no significant changes in the nature of activities during the financial year.

Our Business Model and Objectives

We aim to deliver shareholder returns by providing low cost, high quality investment management services as well as exposure to global investment markets which allows board, key management and shareholders' interests to be aligned.

Operating Results

The loss for the company amounted to \$212,595. As the company did not trade the loss resulted solely from the issue of company options to key management personnel.

Review of Operations

As previously stated, the company did not operate.

Financial Position

The net assets of the company have increased by \$7,400 from company establishment to \$7,400 as at 30 June 2015.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the company occurred during the financial year:

- On 12 February 2015 7,399,000 ordinary shares and ordinary share options were issued; and
- On 10 March 2015 7,560,000 share options were granted to key management personnel in accordance with the executive service contract or executive option plan of each of the directors.

Events after the Reporting Period

During July 2015 the offer contained in the second supplementary prospectus of the Company in relation to listing on the NSX closed. From this second supplementary prospectus, \$6,042,000 was raised and this resulted in the issue of 6,042,000 \$1 ordinary shares and 6,042,000 ordinary share options with an exercise price of \$1.10.

On 6 August 2015 the ordinary shares and ordinary share options of the Company commenced trading on the NSX. The Company commenced with 13,442,000 ordinary shares (of which 7,400,000 are held in escrow for either 12 or 24 months from date of listing) as well as 21,002,000 ordinary share options (of which 14,960,000 are held in escrow for either 12 or 24 months).

DIRECTORS' REPORT

Future Developments, Prospects and Business Strategies

When the company does commence operations, the company expects to operate as follows:

- i) Investment management services – the company will commence operations with mandates to provide investment management services. The first of these is Aliom Managed Futures Fund No 1, an existing fund for wholesale clients only and currently managed by Stuart McAuliffe (the Managing Director of John Bridgeman Limited). The second of these is Henry Morgan Limited, a public company that is currently raising funds (minimum \$14 million and maximum \$34 million) via a prospectus for shares to be listed on the Australian Stock Exchange. This prospectus was dated 8 September 2015 and lodged with Australian Securities and Investments Commission on the same date.
- ii) Investment – the company intends to invest monies in listed and unlisted investment companies to achieve targeted outperformance.

Business Risks

The following exposures to business risk may affect the Company's ability to achieve the above prospects:

- Any fall in global or local equity markets, global or local bond markets or a lack of change in the value of the Australian dollar against other major currencies may discourage investors from moving money in and out of equity markets.
- The investment approach of the Company is based on the experience of the investment manager, research into past data and the application of that research into mathematical models that attempt to forecast risk and returns. There is a risk that the investment management systems may not be profitable and the Company may suffer a loss.

Environmental Issues

The Company has no direct exposure to environmental regulations.

Meetings of Directors

During the financial period, 14 meetings of directors were held. Attendances by each director during the period were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Stuart McAuliffe	14	14
John McAuliffe	3	3
Ross Patane	3	3
Simon Richardson	14	14
Mary-Anne Greaves	11	11

DIRECTORS' REPORT

Remuneration Report (audited)

Remuneration Policy

The remuneration policy of John Bridgeman Limited has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board of John Bridgeman Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain high-quality KMP to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of the Company is as follows:

- The remuneration policy is developed and approved by the Board.
- All KMP receive a base salary (which is based on factors such as relevant industry experience), superannuation, fringe benefits and options which increase in value as Company performance improves.
- Incentives paid in the form of options or rights are intended to align the interests of the KMP and Company with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The Board reviews KMP packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors.

The performance of KMP is measured against criteria agreed with each executive. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes. Any change must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

KMP receive, at a minimum, a superannuation guarantee contribution required by the government, which is currently 9.5% of the individual's average weekly ordinary time earnings (AWOTE).

All remuneration paid to KMP is valued at the cost to the Company and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting.

Options granted (although listed) do not carry dividend or voting rights. Each option is entitled to be converted into one ordinary share once the 12 or 24 month non trade restriction has been lifted. In addition to this, KMP must not deal in the Company's securities when they possess non-public price sensitive information and the fair value of options is measured using the Monte Carlo simulation methodology.

In addition, the Board's remuneration policy prohibits directors and KMP from using John Bridgeman Limited shares as collateral in any financial transaction, including margin loan arrangements.

Performance-based Remuneration

KPIs are to be set within the first three months of employment. Subsequent to this, key performance indicators will be regularly reviewed. KPIs will be changed only by agreement between the board and the KMP. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Company expansion and profit.

Performance in relation to the KPIs is assessed annually.

In determining whether or not a KPI has been achieved, the Directors based the assessment on audited figures; however, where the KPI involves comparison of the Company to the market, independent reports are obtained from organisations such as Standard & Poor's.

DIRECTORS' REPORT

Remuneration Report (audited)

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The method applied to achieve this aim is issue of options to the directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

Performance Conditions Linked to Remuneration

The performance-related proportions of remuneration based on these targets are included in the following table. The objective of the reward schemes is to both reinforce the short and long-term goals of the Company and provide a common interest between management and shareholders.

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial period, members of KMP of the Company. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

	Position Held as at 30 June 2015 and any Change during the Period	Contract Details (Duration and Termination)	Proportions of Elements of Remuneration Related to Performance			Proportions of Elements of Remuneration Not Related to Performance	
			Non-salary			Fixed Salary/	
			Cash-based Incentives	Shares/ Units	Options/ Rights	Options	Total
			%	%	%	%	%
Company KMP							
Stuart McAuliffe	Managing Director	No fixed term	-	-	-	100	100
Simon Richardson	Executive Director	No fixed term	-	-	-	100	100
John McAuliffe	Chairman	No fixed term	-	-	-	100	100
Ross Patane	Non-Executive Director	No fixed term	-	-	-	100	100
Mary-Anne Greaves	Non-Executive Director (resigned 13 March 15)	No fixed term	-	-	-	100	100

The employment terms and conditions of all Executive KMP are formalised in contracts of employment.

A contracted person deemed employed on a permanent basis may terminate their employment by providing at least 2 months' notice. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

DIRECTORS' REPORT

Remuneration Report (audited)

Remuneration Expense Details for the Period Ended 30 June 2015

The following table of benefits and payments represents the components of the current period remuneration expenses for each member of KMP of the Company. Such amounts have been calculated in accordance with Australian Accounting Standards.

Table of Benefits and Payments for the Period Ended 30 June 2015

	Short-term Benefits				Post-employment Benefits		Long-term Benefits		Equity-settled Share-based Payments		Cash-settled Share-based Payments	Termination Benefits	Total
	Salary, Fees and Leave	Profit Share and Bonuses	Non-monetary	Other	Pension and Superannuation	Other	Incentive Plans	LSL	Shares/Units	Options/Rights			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Company KMP													
Stuart McAuliffe	-	-	-	93,078	-	-	-	-	-	-	-	-	93,078
Simon Richardson	-	-	-	39,839	-	-	-	-	-	-	-	-	39,839
John McAuliffe	-	-	-	39,839	-	-	-	-	-	-	-	-	39,839
Ross Patane	-	-	-	39,839	-	-	-	-	-	-	-	-	39,839
Mary-Anne Greaves	-	-	-	-	-	-	-	-	-	-	-	-	-
Total KMP	-	-	-	212,595	-	-	-	-	-	-	-	-	212,595

Cash Bonuses, Performance-related Bonuses and Share-based Payments

The terms and conditions relating to options and bonuses granted as remuneration during the period to KMP are as follows:

	Remuneration Type	Grant Date	Grant Value \$	Reason for Grant (Note 1)	Percentage Vested/Paid during Period % (Note 2)	Percentage Forfeited during Period %	Percentage Remaining as Unvested %	Expiry Date for Vesting or Payment	Range of Possible Values Relating to Future Payments
Company KMP									
Stuart McAuliffe	Options package	10 March 2015	93,078	a	100	-	-	31 March 2020	-
Simon Richardson	Options package	10 March 2015	39,839	a	100	-	-	31 March 2020	-
John McAuliffe	Options package	10 March 2015	39,839	b	100	-	-	31 March 2020	-
Ross Patane	Options package	10 March 2015	39,839	b	100	-	-	31 March 2020	-

Note 1(a) The options have been granted as part of the employment arrangements with the Executive Director. Options granted have various strike prices ranging between \$1.20 and \$3.50. These options are held in escrow on a voluntary basis for up to 24 months from the date of quotation and this date was 6 August 2015. The options have been issued as an incentive for the Executive Directors to use their best endeavours to ensure the objectives of the KMP and shareholders are aligned.

Note 1(b) The options have been granted as part of an options package offered to the Chairman and other Non-Executive Director. Options granted have various strike prices ranging between \$1.20 and \$3.50. These options are held in escrow on a voluntary basis for up to 24 months from the date of quotation and this date was 6 August 2015. The options have been issued as an incentive for the Non-Executive Directors to use their best endeavours to ensure the objectives of the KMP and shareholders are aligned.

Note 2 The dollar value of the percentage vested/paid during the period has been reflected in the Table of Benefits and Payments.

DIRECTORS' REPORT

Remuneration Report (audited)

All options were issued by John Bridgeman Limited and entitle the holder to one ordinary share in John Bridgeman Limited for each option exercised. There have not been any alterations to the terms or conditions of any grants since grant date.

Options and Rights Granted as Remuneration

	Balance at Beginning of Period	Grant Details			Exercised		Lapsed		Balance at End of Period
		Issue Date	No.	Value	No.	Value	No.	Value	
				\$		\$		\$	
				(Note 1)					No.
Group KMP									
		10 March							
Stuart McAuliffe	-	2015	4,440,000	93,078	-	-	-	-	4,440,000
Simon Richardson	-	10 March							
		2015	1,040,000	39,839	-	-	-	-	1,040,000
John McAuliffe	-	10 March							
		2015	1,040,000	39,839	-	-	-	-	1,040,000
Ross Patane	-	10 March							
		2015	1,040,000	39,839	-	-	-	-	1,040,000
	-		7,560,000	212,595	-	-	-	-	7,560,000

	Balance at End of Period	Vested			Unvested
		Exercisable	Unexercisable	Total at End of Period	
	No.	No.	No.	No.	No.
			(Note 2)		
Group KMP					
Stuart McAuliffe	4,440,000	-	4,440,000	4,440,000	-
Simon Richardson	1,040,000	-	1,040,000	4,440,000	-
John McAuliffe [#]	1,040,000	-	1,040,000	4,440,000	-
Ross Patane	1,040,000	-	1,040,000	4,440,000	-
	7,560,000	-	7,560,000	7,560,000	-

Note 1 The fair value of options granted as remuneration and as shown in the above table has been determined in accordance with Australian Accounting Standards and has been recognised as an expense.

Note 2 These options are unable to be exercised as they are being held in escrow on a voluntary basis until 6 August 2016 and 6 August 2017, being 12 to 24 months after the ordinary securities commenced trading on the National Stock Exchange of Australia.

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DIRECTORS' REPORT

Remuneration Report (audited)

Description of Options/Rights Issued as Remuneration

Details of the options granted as remuneration to those KMP listed in the previous table are as follows:

Grant Date	Issuer	Entitlement on Exercise	Dates Exercisable ^{1,2}	Exercise Price \$	Value per Option at Grant Date ³ \$	Amount Paid/ Payable by Recipient \$
10 March 2015	John Bridgeman Limited	One ordinary share per option	6 August 2017	1.20	0.0785	Nil
10 March 2015	John Bridgeman Limited	One ordinary share per option	6 August 2017	1.50	0.0417	Nil
10 March 2015	John Bridgeman Limited	One ordinary share per option	6 August 2017	2.20	0.0110	Nil
10 March 2015	John Bridgeman Limited	One ordinary share per option	6 August 2017	3.50	0.00127	nil

¹The options are exercisable on or before 31 March 2020.

²The options are held in escrow and are restricted on a voluntary basis from being exercised for 12 to 24 months from the date of quotation of the ordinary shares on a recognised securities exchange.

³Option values at grant date were determined using the Monte Carlo simulation method.

Details relating to service and performance criteria required for vesting have been provided in the Cash Bonuses, Performance-related Bonuses and Share-based Payments table on page 8.

KMP Shareholdings

The number of ordinary shares of John Bridgeman Limited held by each KMP of the Group during the financial period is as follows:

	Balance at Beginning of Period	Granted as Remuneration during the Period	Issued on Exercise of Options during the Period	Other Changes during the Period	Balance at End of Period
Stuart McAuliffe	-	-	-	5,550,000	5,550,000
Simon Richardson	-	-	-	-	-
John McAuliffe	-	-	-	-	-
Ross Patane	-	-	-	-	-
	-	-	-	5,550,000	5,550,000

Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

DIRECTORS' REPORT

Remuneration Report (audited)

Other Transactions with KMP and/or their Related Parties

There were no other transactions conducted between the Group and KMP or their related parties, other than those disclosed above relating to equity, compensation and loans, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonably expected under arm's length dealings with unrelated persons.

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.



Mr Stuart McAuliffe, Managing Director

Dated: 29 September 2015

CORPORATE GOVERNANCE STATEMENT

John Bridgeman Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of Shareholders.

The Board of Directors of John Bridgeman Limited are responsible for establishing the corporate governance framework of the Company having regard to the Corporations Act 2001 (Cth) and applicable Listing Rules.

This corporate governance statement summarises the corporate governance practices adopted by the Company.

The current corporate governance statement is posted on the Company's website at www.johnbridgeman.com.au

Summary of corporate governance practices

The Company's main corporate governance policies and practices are outlined below.

The Board of Directors

The Company's Board of Directors is responsible for overseeing the activities of the Company. The Board's primary responsibility is to oversee the Company's business activities and management for the benefit of the Company's shareholders.

The Board is responsible for the strategic direction, policies, practices, establishing goals for management and the operation of the Company.

The Board assumes the following responsibilities:

- (a) appointment of the Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination;
- (b) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- (c) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- (d) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- (e) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (f) approving the annual, half-yearly and quarterly accounts;
- (g) approving significant changes to the organisational structure;
- (h) approving the issue of any shares, options, equity instruments or other securities in the Company;
- (i) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- (j) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and
- (k) meeting with the external auditor, at their request, without management being present.

CORPORATE GOVERNANCE STATEMENT

Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (a) the composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction; and
- (b) the principal criterion for the appointment of new Directors is their ability to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

The skills, experience and expertise relevant to the position of Director held by each Director in office at the date of the annual report is included in the Directors' Report. At least 50% of the Board is to be comprised of Non-Executive Directors and where appropriate, at least 50% of the Board should be independent. Directors of the Company are considered to be independent when they are a Non-Executive Director (ie not a member of management and have been for the preceding three years), hold less than 10% of the voting shares of the Company and who is free of any business relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. In accordance with this definition, Mr S McAuliffe and Mr S Richardson are not considered independent.

Chairman Mr J McAuliffe and Non-Executive Director Mr R Patane were considered to have been independent throughout the year or since their appointment (as applicable).

The term in office held by each director in office at the date of this report is as follows:

Stuart McAuliffe	8 months	Executive Director
Simon Richardson	8 months	Executive Director
John McAuliffe	6 Months	Chairman
Ross Patane	6 months	Non-Executive Director

There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the Company's expense.

Remuneration arrangements

Review of the Company's remuneration policy is the responsibility of the Board.

The total maximum remuneration of Non-Executive Directors, which may only be varied by Shareholders in general meeting, is an aggregate amount of \$200,000 per annum. The Board may award additional remuneration to Non-Executive Directors called upon to perform extra services or make special exertions on behalf of the Company.

Performance

The Board has established formal practices to evaluate the performance of the Board, committees, Non-Executive Directors, the Managing Director and senior management. Details of these practices are described in the Corporate Governance Plan available on the Company's website. No formal performance evaluation of the Board or individual Directors took place during the year.

Code of Conduct

The Company has in place a code of conduct which aims to encourage appropriate standards of behaviour for Directors, officers, employees and contractors. All are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. The Directors are subject to additional code of conduct requirements which includes highlighting situations which may constitute a conflict of interest for Directors. Directors have a responsibility to avoid any conflict from arising that could compromise their ability to perform their duties impartially. Any actual or potential conflicts of interest must be reported to the Board or superior.



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of John Bridgeman Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the period ended 30 June 2015 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'Simon Crane', written over a horizontal line.

Simon Crane
Partner

Brisbane
29 September 2015

John Bridgeman Limited ABN 55 603 477 185

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2015

	Note	8 January 2015 to 30 June 2015
		\$
Revenue		-
Employee benefits expense		(212,595)
Loss before income tax		(212,595)
Tax expense	7	-
Net loss for the period		(212,595)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		-
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		-
Other comprehensive income/(loss) for the period		-
Total comprehensive loss for the period attributable to members of the Company		(212,595)
Earnings per share		
Basic earnings per share (cents)	5	(3.58)
Diluted earnings per share (cents)	5	(3.58)

The accompanying notes form part of these financial statements.

John Bridgeman Limited ABN 55 603 477 185

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	2015
		\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	8	7,400
TOTAL CURRENT ASSETS		<u>7,400</u>
NON-CURRENT ASSETS		<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>-</u>
TOTAL ASSETS		<u><u>7,400</u></u>
LIABILITIES		
CURRENT LIABILITIES		
TOTAL CURRENT LIABILITIES		<u>-</u>
NON-CURRENT LIABILITIES		
TOTAL NON-CURRENT LIABILITIES		<u>-</u>
TOTAL LIABILITIES		<u><u>-</u></u>
NET ASSETS		<u><u>7,400</u></u>
EQUITY		
Issued capital	9	7,400
Reserves	10	212,595
Retained earnings		(212,595)
TOTAL EQUITY		<u><u>7,400</u></u>

The accompanying notes form part of these financial statements.

John Bridgeman Limited ABN 55 603 477 185

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

	Note	Share Capital	Retained Earnings	Employee Equity Based Payment reserve	Total
		\$	\$	\$	\$
Opening Balance at 8 January 2015		-	-	-	-
Comprehensive income					
Loss for the period		-	(212,595)	-	(212,595)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period			(212,595)		(212,595)
Transactions with owners, in their capacity as owners, and other transfers					
Issue of share capital	9	7,400	-	-	7,400
Share based payments	6	-	-	212,595	212,595
Total transactions with owners and other transfers		7,400	-	212,595	219,995
Balance at 30 June 2015		7,400	(212,595)	212,595	7,400

The accompanying notes form part of these financial statements.

John Bridgeman Limited ABN 55 603 477 185

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2015

	Note	8 January 2015 to 30 June 2015 \$
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares		7,400
Net cash provided by financing activities		7,400
Net increase in cash held		7,400
Cash and cash equivalents at beginning of financial period		-
Cash and cash equivalents at end of financial period	8	7,400

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 1: REPORTING ENTITY

John Bridgeman Limited (the 'Company') is a public Company domiciled in Australia. Its registered office is at 144 Union Street, Spring Hill, QLD, 4000.

The Company was incorporated on 8 January 2015 and the financial statements are for the period from incorporation to 30 June 2015. The Company did not trade during this period.

The financial statements were authorised for issue by the Board of Directors on 29 September 2015.

NOTE 2: BASIS OF PREPARATION

The Company is a for-profit entity and these financial statements have been prepared on the historical cost basis unless the application of fair value measurements is required by relevant accounting standards.

As the Company was incorporated on 8 January 2015, this is the first financial report of the Company and accordingly, no comparative information is presented.

The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial report complies with the International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

a) Critical Accounting Estimates and Judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are applied prospectively.

Key estimates:

(i) Fair Value of Ordinary Share Options issued (Refer Note 6)

The value of the ordinary share options was calculated using the Monte Carlo simulation pricing model applying the inputs described at note 6.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short term highly liquid investments with maturities of 3 months or less, and bank overdrafts. They are measured at gross value of the outstanding balance.

b) Revenue and Other Income

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable and the amount of revenue can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Revenue and Other Income (continued)

- **Provision of services** – revenue recognition relating to the provision of services is determined in proportion to the stage of completion of the transaction at reporting date. When the outcome cannot be measured reliably, revenue is recognised only to the extent that related expenditure is recoverable.
- **Management fee income** – management fees are recognised in accordance with agreements entered into with counter parties to whom management services are provided.
- **Interest income** – interest income is recognised as it accrues, taking into account the effective yield on the financial asset.
- **Other income** – other revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and when the revenue can be reliably measured.

c) Income Tax

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

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

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

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

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

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

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

d) Goods and Services Tax (GST)

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Share-based payments

The grant date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

f) Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a legal obligation or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be measured reliably.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed when the Company can no longer withdraw the offer of those benefits. If benefits are not expected to be settled wholly within the 12 months of the reporting date, then they are discounted.

g) Share capital

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

h) New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Company, together with an assessment of the potential impact of such pronouncements on the Company when adopted in future periods, are discussed below:

AASB 9 *Financial Instruments* introduces changes in the classification and measurement of financial assets and financial liabilities and impairment of financial assets. This standard becomes mandatory for the 30 June 2019 financial statements. The potential effects on adoption of the standard are currently being assessed. It is available for early adoption but has not been applied by the Company in this financial report.

AASB 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 *Revenue*. AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the impact on its financial statements resulting from the application of AASB 15.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 4: SEGMENTS

Operating segments are identified based on separate financial information which is regularly reviewed by the Managing Director and his immediate executive team (representing the Chief Operating Decision Maker) in assessing performance and determining the allocation of resources.

As the Company operates in only one segment, all results of the Company, as presented in this financial report, relate to the financial services segment for the current and prior financial years.

The Company operates in one geographical segment being Australia.

NOTE 5: EARNINGS PER SHARE

	2015
	\$
a. Reconciliation of earnings to loss:	
Loss attributable to ordinary equity holders	(212,595)
Earnings used to calculate basic EPS	(212,595)
Earnings used in the calculation of dilutive EPS	(212,595)
	No.
b. Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	5,945,864
Weighted average number of dilutive options outstanding	-
Weighted average number of ordinary shares outstanding during the period used in calculating dilutive EPS	5,945,864
The 14,960,000 options outstanding were excluded from the dilutive EPS calculation as their effect would have been anti-dilutive.	

NOTE 6: SHARE-BASED PAYMENTS

- a) On 10 March 2015, 7,560,000 share options were granted to key management personnel in accordance with the executive service contract or executive option plan of each of the directors to take up ordinary shares at exercise prices of \$1.20; \$1.50; \$2.20 or and \$3.50 each. The options are exercisable on or before 31 March 2020. The options hold no voting or dividend rights and are not transferable. The options are restricted from being exercised for 24 months from the date of quotation of the ordinary shares on a recognised securities exchange. The shares issued commenced trade on the NSX on 6 August 2015.

- b) The number of options exercisable at the respective prices are summarised as follows:

	Exercise Price	Number
Tranche 1	\$1.20	1,540,000
Tranche 2	\$1.50	1,540,000
Tranche 3	\$2.20	2,240,000
Tranche 4	\$3.50	2,240,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 6: SHARE-BASED PAYMENTS (CONTINUED)

The number and weighted-average exercise prices of share options under the share option programme were as follows

	Number	Weighted Average Exercise Price
Outstanding at the start of the financial period	-	-
Granted	7,560,000	\$2.24
Forfeited	-	-
Exercised	-	-
Expired	-	-
Outstanding as at 30 June 2015	7,560,000	\$2.24

The fair value of the options granted to employees is considered to represent the value of the employee services received over the vesting period.

The fair value of options granted during the period was \$212,595. These values were calculated using the Monte Carlo simulation pricing model applying the following inputs:

Weighted average fair value price:	\$0.0281
Weighted average life of the option:	5 years
Expected share price volatility:	25%
Expected dividend yield:	4%
Risk-free interest rate:	2.69%

Historical volatility of various small cap indexes has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the best estimate of directors, which may not eventuate in the future.

- c) There were no shares granted to key management personnel as share-based payments.

John Bridgeman Limited ABN 55 603 477 185

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 7: INCOME TAX

	2015 \$
a. The components of tax (expense)/income comprise:	
Current tax	-
Deferred tax	-
	-
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:	
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	63,779
Add/(less) Non-deductible expenses	(63,779)
Income tax expense/(benefit)	-

NOTE 8: CASH AND CASH EQUIVALENTS

	2015 \$
Cash at bank and on hand	7,400
	7,400

NOTE 9: ISSUED CAPITAL

	2015 \$
7,400,000 fully paid ordinary shares	7,400
	7,400

The Company does not have authorised share capital or par value in respect of its issued shares.

	No.
a. Ordinary Shares	
At the beginning of the reporting period	-
Shares issued during the period:	
– 08 January 2015	1,000
– 12 February 2015	7,399,000
At the end of the reporting period	7,400,000
Ordinary shares participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held.	
At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.	

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 9: ISSUED CAPITAL (CONTINUED)

b. Options

On 8 January 2015, 1,000 share options and on 12 February 2015, 7,399,000 ordinary share options were granted to each of the shareholders to take up ordinary shares on the following terms:

Grant Date	Issuer	Entitlement on Exercise	Dates Exercisable ^{1,2}	Exercise Price \$
8 January 2015	John Bridgeman Limited	One ordinary share per option	6 August 2016 to 6 August 2017	1.10
12 February 2015	John Bridgeman Limited	One ordinary share per option	6 August 2016 to 6 August 2017	1.10

¹ The options are exercisable on or before 31 March 2020.

² The options are held in escrow and are restricted on a voluntary basis from being exercised for 12 to 24 months from the date of quotation of the ordinary shares on a recognised securities exchange.

³ The options hold no voting or dividend rights and are not transferable. The Company's shares commenced trade on the NSX on 6 August 2015. Refer to Note 6 for options issued to key management personnel. As at 30 June 2015, total share options outstanding was 14,960,000.

c. Capital Management

Management controls the capital of the Company in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Company can fund its operations and continue as a going concern.

The Company's capital consists of ordinary share capital.

The Company is not subject to any externally imposed capital requirements.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

The Company's capital policy is to ensure the level of borrowings are limited to 20% of the total assets of the Company at the time of borrowing.

Currently the Company has no borrowings.

NOTE 10: RESERVES

Employee Equity Based Payment Reserve

The employee equity based payment reserve records items recognised as expenses on valuation of employee share options.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015
NOTE 11: CASH FLOW INFORMATION

	2015 \$
a. Reconciliation of Cash Flow from Operations with Profit after Income Tax	
Loss after income tax	(212,595)
Non-cash flows in loss:	
– Value of ordinary share options issued during the period	212,595
Cash flow from operating activities	-
b. Non-cash Financing and Investing Activities	
(i) Issue of options	
7,560,000 ordinary share options were issued to key management personnel during the period ended 30 June 2015. The value of these options has been determined using the Monte Carlo valuation methodology at \$212,595.	

NOTE 12: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents. The carrying value is a reasonable approximation of fair value.

Financial Risk Management Policies

The Managing Director has been delegated responsibility by the Board of Directors for, among other issues, managing financial risk exposures of the Company. The Managing Director monitors the Company's financial risk management policies and exposures and approves financial transactions within the scope of their authority.

The main aspects of the risk management strategy seek to assist the Company in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the use of credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

At 30 June 2015 the Company was not exposed to significant risk through its financial instruments.

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Company's key management personnel (KMP) for the period ended 30 June 2015.

The total remuneration paid to KMP of the Company during the period are as follows:

	2015 \$
Short-term employee benefits	-
Post-employment benefits	-
Other long-term benefits	-
Share-based payments	212,595
Total KMP compensation	212,595

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

Short-term employee benefits

In accordance with agreement reached Directors fees are payable once the Company is listed on a securities exchange and this occurred 6 August 2015.

The Executive Directors have waived their remuneration for their first year of employment.

Share-based payments

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options granted on grant date.

Further information in relation to KMP remuneration can be found in the directors' report.

NOTE 14: RELATED PARTY TRANSACTIONS

Mary-Anne Greaves is an Executive Director of Wellington Capital. During the financial period, Wellington Capital provided services to the Company in connection with the listing on the NSX. The fee for these services totalled \$85,000 and is included in the contingent liability disclosed Note 15.

During the period ended 30 June 2015, the Company agreed to subscribe to \$1.6 million in capital of Henry Morgan Limited. Stuart McAuliffe and Simon Richardson are Directors of Henry Morgan Limited. The subscription is subject to the successful listing of John Bridgeman Limited and Henry Morgan Limited.

During the period ended 30 June 2015, the Company was contracted by Henry Morgan Limited to act as asset manager. The contract is subject to the successful listing of John Bridgeman Limited and Henry Morgan Limited.

Subsequent to year end, certain costs associated with the registration and listing of the Company on the NSX amounting to \$154,600 became reimbursable to the Managing Director. Refer Notes 15 and 17.

NOTE 15: CONTINGENT LIABILITIES

	2015
	\$
Estimates of the potential financial effect of contingent liabilities that become payable after balance date:	154,600

Contingent Liabilities

Contingent liabilities represent items that, at 30 June 2015, are not recognised in the Statement of Financial Position because there was significant uncertainty at that date as to the necessity for the Company to make payments in respect of them.

Registration and listing costs were incurred prior to the period end date of 30 June 2015. These costs were met by the Managing Director and agreed to be reimbursed only in the event the Company listed on a recognised securities exchange. John Bridgeman Limited listed on the NSX on 6 August 2015 and at that date the obligation to reimburse the Managing Director crystallised. These expenses total \$154,600.

NOTE 16: AUDITORS' REMUNERATION

	2015
	\$
Remuneration of the auditor for	
– auditing or reviewing the financial statements	35,000
– due diligence related services	14,500
	<hr/> 49,500 <hr/>

The auditors' remuneration is subject to the successful listing of the Company on the NSX.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

NOTE 17: EVENTS AFTER THE REPORTING PERIOD

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

During July 2015 the offer contained in the second supplementary prospectus of the Company in relation to listing on the NSX closed. From this second supplementary prospectus, \$6,042,000 was raised and this resulted in the issue of 6,042,000 \$1 ordinary shares and 6,042,000 ordinary share options with an exercise price of \$1.10.

On 6 August 2015 the ordinary shares and ordinary share options of the Company commenced trading on the NSX. The Company commenced with 13,442,000 ordinary shares (of which 7,400,000 are held in escrow for either 12 or 24 months from date of listing) as well as 21,002,000 ordinary share options (of which 14,960,000 are held in escrow for either 12 or 24 months).

As disclosed in Note 15, the listing of the Company on the NSX on 6 August 2015 also resulted in the recognition of a liability to the Managing Director for registration and listing costs of \$154,600.

DIRECTORS' DECLARATION

1. In the opinion of the directors of John Bridgeman Limited ("the Company"):
 - (a) the financial statements and notes that are set out on pages 15 to 28 and the Remuneration report in pages 6 to 11 in the Directors' report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2015 and of the performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations required by s 295A of the *Corporations Act 2001* from the Managing Director and Chief Financial Officer for the year ended 30 June 2015.
3. The directors draw attention to Note 2 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Director

Mr Stuart McAuliffe

Dated this 29th day of September 2015



Independent auditor's report to the members of John Bridgeman Limited

Report on the financial report

We have audited the accompanying financial report of John Bridgeman Limited (the Company), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period ended on that date, notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 2, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation 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.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Company's financial position and of its performance.

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

Independence

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

Auditor's opinion

In our opinion:

- a) the financial report of John Bridgeman Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 11 of the Directors' Report for the period ended 30 June 2015. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the Remuneration Report of John Bridgeman Limited for the period ended 30 June 2015, complies with Section 300A of the *Corporations Act 2001*.



KPMG



Simon Crane
Partner

Brisbane
29 September 2015

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following information is current as at 23 September 2015:

1. **Shareholding**

a. **Distribution of Shareholders**

Category (size of holding):	Number	
	Ordinary	Options
1 – 1,000	0	0
1,001 – 5,000	202	196
5,001 – 10,000	16	16
10,001 – 100,000	25	26
100,001 and over	9	9
	252	247

b. The number of shareholdings held in less than marketable parcels is Nil.

c. The names of the substantial shareholders listed in the holding company's register are:

Shareholder:	Number	
	Ordinary	Options
Peter & Carolyn Aardoom <Aardoom Super Fund>	820,000	1,120,000
John Hawkins Pty Ltd ANC 604 689 910	5,550,000	5,550,000
John McAuliffe	896,000	1,936,000
Christine Normile	950,000	950,000
Jarrad Robert Stuart	1,000,000	1,000,000
Jan Holmes	1,604,000	1,604,000

d. **Voting Rights**

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Ordinary share options

- These options have no voting rights.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

e. 20 Largest Shareholders – Ordinary Shares

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. Mr Jarrad Robert Stuart <Stuart Investment A/c>	1,000,000	16.55
2. Mrs Christine Normile	950,000	15.72
3. Mr John McAuliffe <J McAuliffe Retirement Fund A/c>	800,000	13.24
4. Bretlen Pty Ltd <Bretlen Super fund A/c>	275,000	4.55
5. Mr Peter Aardoom & Mrs Carolyn Aardoom <Aardoom Super Fund A/c>	250,000	4.14
6. Brett & Helen McAuliffe Pty Ltd <Brett & Helen McAuliffe Family Trust A/c>	250,000	4.14
7. Jan Holmes Pty L td <The Jan Holmes Superannuation Fund A/c>	250,000	4.14
8. Merapine Pty Ltd <The Schuh Group Finance Trust A/c>	250,000	4.14
9. Prime Investment Management Services Pty Ltd	250,000	4.14
10. Cark Holdings Pty Ltd <Cark Superannuation Fund A/c>	100,000	1.66
11. Elders FMC Pty Ltd	100,000	1.66
12. Draycott Private Capital Pty Ltd	75,000	1.24
13. DYAB Pty Ltd <DYAB Retirement Fund A/c>	75,000	1.24
14. PTree345 Pty Ltd	59,000	0.98
15. Arras Pty Ltd <50 Long Pty Ltd A/c>	50,000	0.83
16. Mr Bradley mark Bennett & Ms Simone Elise Bennett & Mr Frank William Bennett <Simbrad Super Fund A/c>	50,000	0.83
17. Cark Holdings Pty Ltd	50,000	0.83
18. Mr Bruce Hezlet Cary & Mrs Katherine Elizabeth Cary <Kabadah Investments Super Fund A/c>	50,000	0.83
19. Mrs Katherine Elizabeth Cary	50,000	0.83
20. Extra Large Pty Ltd <M G Ogilvie Super Fund A/c>	50,000	0.83
	4,984,000	82.49

f. 20 Largest Shareholders – Ordinary Share Options

Name	Number of Ordinary Share Options	% Held of Ordinary Share Options
1. Mr Jarrad Robert Stuart <Stuart Investment A/c>	1,000,000	16.55
2. Mrs Christine Normile	950,000	15.72
3. Mr John McAuliffe <J McAuliffe Retirement Fund A/c>	800,000	13.24
4. Bretlen Pty Ltd <Bretlen Super Fund A/c>	275,000	4.55
5. Mr Peter Aardoom & Mrs Carolyn Aardoom <Aardoom Super Fund A/c>	250,000	4.14
6. Brett & Helen McAuliffe Pty Ltd <Brett & Helen McAuliffe Family Trust A/c>	250,000	4.14

f. **20 Largest Shareholders – Ordinary Share Options**

Name	Number of Ordinary Share Options	% Held of Ordinary Share Options
7. Jan Holmes Pty Ltd <The Jan Holmes Superannuation Fund A/c>	250,000	4.14
8. Merapine Pty Ltd <The Schuh Group Finance Trust A/c>	250,000	4.14
9. Prime Investment Management Services Pty Ltd	250,000	4.14
10. Cark Holdings Pty Ltd <Cark Superannuation Fund A/c>	100,000	1.66
11. Elders FMC Pty Ltd	100,000	1.66
12. Draycott Private Capital Pty Ltd	75,000	1.24
13. DYAB Pty Ltd <DYAB Retirement Fund A/c>	75,000	1.24
14. PTree 345 Pty Ltd	59,000	0.98
15. Arras Pty Ltd <50 Long Pty Ltd A/c>	50,000	0.83
16. Mr Radley Mark Bennett & Ms Simone Elise Bennett & Mr Frank William Bennett <Simbrad Super Fund A/c>	50,000	0.83
17. Cark Holdings Pty Ltd	50,000	0.83
18. Mr Bruce Hezlet Cary & Mrs Katherine Elizabeth Cary <Kabadah Investments Super Fund A/c>	50,000	0.83
19. Mrs Katherine Elizabeth Cary	50,000	0.83
20. Extra Large Pty Ltd <M G Ogilvie Super Fund A/c>	50,000	0.83
	4,984,000	82.49

2. The name of the Company secretary is Mrs Mary-Anne Greaves.
3. The address of the principal registered office in Australia is 144 Union Street, Spring Hill, Qld, 4000. Telephone 1300 155 396.
4. Registers of securities are held at the following addresses:
Qld Link Market Services, Level 15, 324 Queen Street, Brisbane, Qld, 4000.
5. **Stock Exchange Listing**
Quotation has been granted for all the ordinary shares and the ordinary share options of the Company on all Member Exchanges of the National Stock Exchange of Australia Limited.