

13 February 2014

Company Announcements Office
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

First half interim results Fin Year 13/14

For the six months to 31 December 2013 the company recorded a loss of \$0.2 million vs. a loss of \$0.3 million for the previous corresponding period ending 31 December 2012 (restated).

During the period the Company has continued to invest in people and systems to ensure that Energy One maintains its position as the leader in information systems in the Australian energy trading and risk management (ETRM) market.

Management remain confident about the company's future prospects. The company has a cash position of \$1.7 million, with no debt.

Energy One Limited



Reena Minhas
Company Secretary

Preliminary Appendix 4D

Preliminary Half Yearly Report to the Australian Stock Exchange

Name of Entity	Energy One Limited
ABN	37 076 583 018
Half year ended	31 December 2013
Previous Corresponding reporting period	31 December 2012 (restated)

Results for announcement to the market

	December '13 (\$'000)	December '12 (Restated) (\$'000)	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	1,154	1,065	8%
(Loss) from ordinary activities after tax attributable to members	(203)	(325)	38%
(Loss) for the period attributable to members	(203)	(325)	38%

Dividends	No dividends will be payable		
Amount per security	N/A	N/A	N/A
Franked amount per security	N/A	N/A	N/A
Interim dividend	N/A	N/A	N/A
Final dividend	N/A	N/A	N/A
Record date for determining entitlements to dividends	N/A	N/A	N/A
Net tangible assets per security	7.3	9.5	(2.3)

Brief explanation of the figures above necessary to enable the figures to be understood:

Total number of shares on issue at 31 December 2013 is 17,793,229

Net tangible assets at 31 December 2013 is \$1,293,850

Additional information in Director's Report will be provided in the half-year report.

Other Significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position:

N/A

Returns to shareholders including distributions and buy backs: N/A
The results of segments that are significant to an understanding of the business as a whole: The principal activity of the Group during the period was the provision of software and services to energy companies and utilities.
Discussion of trends in performance: Refer to Director's Report
Subsidiaries On 26 November 2010, the Energy One acquired 100% of Energy One Option Plan Managers Pty Limited which, has a sole purpose of obtaining Tax Paid Options and Shares acquired on exercise of Tax Paid Options in the Company for the benefit of participants.
Any other factors which have affected the results in the period or which are likely to affect the results in the future, including those where the effect could not be quantified: Refer to Director's Report
Audit/review status This report is based on accounts to which one of the following applies: (tick one) ☐ The accounts have been audited ☐ The accounts are in the process of being audited ☒ The accounts have been subject to review ☐ The accounts have not yet been audited or reviewed
Signed by the Company Secretary  13 February 2014 Reena Minhas

ENERGY ONE LIMITED
ABN 37 076 583 018

HALF YEAR REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

Contents

Directors' Report.....	3
Auditors' Independence Declaration	4
Financial Report	
Statement of Comprehensive Income	5
Statement of Financial Position.....	6
Statement of Changes in Equity.....	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	14
Independent Auditors Review Report.....	15

DIRECTORS' REPORT

Your directors present their report on the Company and its controlled entities (the Group) for the half-year ended 31 December 2013.

Directors

The names of directors who held office during or since the end of the half-year:

Shaun Ankers – Chief Executive Officer
Andrew Bonwick – Non-executive Director
Vaughan Busby – Non-executive Director
Ian Ferrier - Non-executive Director
Ottmar Weiss – Chairman

Review of Operations

The net loss for the Group for the half-year after providing for income tax amounted to \$202,873 (31/12/12: \$324,734 restated net loss). During the period the Company has continued to invest in people and systems to ensure that Energy One maintains its position as the leader in information systems in the Australian energy trading and risk management (ETRM) market.

No dividends were paid or declared since the start of the financial year. No recommendation for the payment of dividends has been made.

As required under the Corporations Act 2001 Section 300(14) the Directors give notice that 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 lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2013.



Shaun Ankers
Chief Executive Officer
13 February 2014



Ottmar Weiss
Chairman
13 February 2014

13 February 2014

The Board of Directors
Energy One Limited
Level 14
71 Macquarie Street
SYDNEY NSW 2000

Dear Board Members

ENERGY ONE LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Energy One Limited and its controlled entity (the Group).

As lead audit partner for the review of the half-year financial statements of the Consolidated Group for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

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



CROWE HORWATH SYDNEY



ROGER WONG
Partner

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

		Consolidated Group	
	Notes	31.12.2013	31.12.2012
			(Restated)
		\$	\$
Revenue from continuing operations	2	874,438	808,880
Other Income	2	279,456	255,649
Direct project related costs		(36,118)	(18,071)
Employee benefits expense		(673,062)	(798,308)
Depreciation and amortisation expense		(270,681)	(203,601)
Rental expenses		(79,034)	(74,939)
Consulting expenses		(163,525)	(120,659)
Insurance		(21,486)	(23,964)
Accounting fees		(17,150)	(23,522)
Other expenses		(95,711)	(126,198)
Loss before income tax		(202,873)	(324,734)
Income tax expense	4	-	-
Loss after income tax attributable to owners of the parent entity		(202,873)	(324,734)
Other comprehensive income		-	-
Total comprehensive loss		(202,873)	(324,734)
Total comprehensive loss attributable to members of the Parent entity		(202,873)	(324,734)
Earnings per share for loss attributable to the ordinary equity holders of the Group			
Basic earnings per share (cents per share)		(1.14)	(1.83)
Diluted earnings per share (cents per share)		(1.14)	(1.83)

The accompanying notes form part of these financial statements
Please refer to Note 13 for restatement of prior year comparative information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

		Consolidated Group	
	Notes	31.12.2013	30.06.2013
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	1,689,754	1,721,333
Trade and other receivables		480,009	835,139
Other current assets		11,181	28,588
TOTAL CURRENT ASSETS		2,180,944	2,585,060
NON-CURRENT ASSETS			
Plant and equipment		117,333	146,960
Intangible assets - Software	9	1,319,945	1,211,365
Intangible assets – Other		617,107	617,107
Other non-current assets		103,760	103,760
TOTAL NON-CURRENT ASSETS		2,158,145	2,079,192
TOTAL ASSETS		4,339,089	4,664,252
CURRENT LIABILITIES			
Trade and other payables		191,538	128,648
Deferred revenue	10	420,033	663,055
Short-term provisions		99,235	115,165
TOTAL CURRENT LIABILITIES		710,806	906,868
NON-CURRENT LIABILITIES			
Deferred revenue	10	348,177	289,978
Long-term provisions		49,204	33,631
TOTAL NON-CURRENT LIABILITIES		397,381	323,609
TOTAL LIABILITIES		1,108,187	1,230,477
NET ASSETS		3,230,902	3,433,775
EQUITY			
Issued capital	12	8,246,064	8,246,064
Reserves		77,578	77,578
Accumulated losses		(5,092,740)	(4,889,867)
TOTAL EQUITY		3,230,902	3,433,775

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

	Consolidated Group			
	Share Capital Ordinary	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2012	8,246,064	77,561	(4,462,030)	3,861,595
Restatement adjustment (Note 13)	-	-	(217,098)	(217,098)
Balance at 1 July 2012 (restated)	8,246,064	77,561	(4,679,128)	3,644,497
Comprehensive loss for the half year (restated) – Note 13	-	-	(324,734)	(324,734)
Balance at 31 December 2012 (restated)	8,246,064	77,561	(5,003,862)	3,319,763
Balance at 1 July 2013	8,246,064	77,578	(4,889,867)	3,433,775
Comprehensive loss for the half year	-	-	(202,873)	(202,873)
Balance at 31 December 2013	8,246,064	77,578	(5,092,740)	3,230,902

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

	Notes	Consolidated Group	
		31.12.2013	31.12.2012
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		626,214	1,120,969
Receipts of research and development tax incentive		720,247	688,124
Payments to suppliers and employees		(1,061,938)	(1,226,203)
Interest received		33,532	59,297
Net cash used in operating activities		318,055	642,187
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		-	(801)
Payment of development costs of software		(349,634)	(277,945)
Net cash used in investing activities		(349,634)	(278,746)
Net increase / (decrease) in cash held		(31,579)	363,441
Cash at beginning of financial period	8	1,825,091	1,948,326
Cash at the end of the financial period	8	1,793,512	2,311,767

The accompanying notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

NOTE 1: BASIS OF PREPARATION

These condensed consolidated interim financial statements for the half-year reporting period 31 December 2013 have been prepared in accordance with the requirements of the *Corporations Act 2001*, and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This condensed consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Energy One Limited and its subsidiaries (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2013, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Company has one subsidiary, Energy One Limited Employee Option Plan Managers Pty Limited, incorporated in Australia. Energy One Ltd is the sole shareholder owning 100% of the issued capital in the entity. As at 31 December 2013 the subsidiary does not have any significant assets or liabilities therefore the consolidated entity's financial statements represent the parent entity's financial statements.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements and the corresponding interim reporting period.

These financial statements have been prepared on an accrual basis.

Accounting policies adopted since 1 July 2013

Changes in accounting policy

Energy One Limited had to change some of its accounting policies as the result of new or revised accounting standards which became effective for the annual reporting period commencing on 1 July 2013. The affected policy and standard is accounting for employee benefits – *revised AASB 119 Employee Benefits*.

Other new standards that are applicable for the first time for the December 2013 half-year report are *AASB 13 Fair Value Measurement*, *AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* and *AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*. These standards have introduced new disclosures for the interim report but did not affect the Company's accounting policies or any of the amounts recognised in the financial statements.

Employee benefits:

The adoption of the revised *AASB 119 Employee Benefits* has changed the accounting for the group's annual leave obligations. Annual leave that is expected to be taken after the 12 months period from the reporting date, the obligations are now measured on a discounted basis. However, the impact of this change was immaterial.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

New accounting policies not yet effective

Impact of standards issued but not yet applied by the entity

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will not have significant affect the group's accounting for its financial assets.

There will be no impact on the group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the group does not have any such liabilities. The derecognition rules have been transferred from *AASB 139 Financial Instruments: Recognition and Measurement* and have not been changed. The group has not yet decided when to adopt AASB 9.

(a) Going Concern

The Group has \$1,689,754 cash and cash equivalents as at 31 December 2013 and no significant liabilities. The sales pipeline for the 2014 financial year is promising. The Directors believe the cash reserve is sufficient to finance the operating costs and software development costs.

As a result of these activities and the available cash reserves, the Directors believe the Group to be a going concern.

NOTE 2: REVENUE AND OTHER INCOME

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

	Notes	31.12.2013 \$	31.12.2012 (Restated) \$
Sales Revenue			
Sale of licence and related services		874,438	808,880
Other Revenue			
R&D Tax Incentive		246,112	218,014
Interest received from other persons		33,344	37,635
Total Other Income		279,456	255,649
Total Revenue		1,153,894	1,064,529

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

NOTE 3: CONTINGENCIES AND COMMITMENTS

The Group had no contingent liabilities as at 31 December 2013.

There have been no changes to commitments since 30 June 2013.

NOTE 4: INCOME TAX EXPENSE

The Company has unrecognised accrued tax losses of \$3,023,782 to 31 December 2013. If those tax losses could be offset against taxable income they could be valued at \$907,135. These accumulated tax losses and deferred tax assets from other temporary differences have not been brought to account as the probability of their utilisation has not been substantiated. In addition, to obtain the benefit of the losses the continuity of ownership or same business test needs to be satisfied. The company is currently confirming whether these tests have been passed.

NOTE 5: OPERATING SEGMENTS

The Group is managed primarily on the basis of product and service offerings and operates in one segment, being the Energy software industry, and in one geographical segment, being Australia. During the period ended 31 December 2013 the Group derived 68% of revenue from three major customers to which it provided consulting and support and maintenance work. The Group's most significant external customer accounts for 36% of external revenue with the next largest customer contributing 17%. Management assesses the performance of the operating segment based on the accounting profit and loss.

NOTE 6: EVENTS SUBSEQUENT TO THE REPORTING DATE

There have been no after balance date transactions that have significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group subsequent to the half year ended 31 December 2013.

NOTE 7: SHARE BASED PAYMENT

There are 500,000 options outstanding as at 31 December 2013. The average remaining contractual life of the 500,000 options outstanding is 1.88 years. The exercise price of these outstanding options is \$0.37.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

NOTE 8: CASH AND CASH EQUIVALENTS

	31.12.2013	30.06.2013
	\$	\$
Cash at bank and in hand	253,597	300,728
Short-term bank deposits	1,436,156	1,420,605
	<u>1,689,754</u>	<u>1,721,333</u>

At the reporting date, the Consolidated Group has deposits with banks that are used for restricted bank guarantees of \$103,758. These have been classified as Other Non-Current Assets in the consolidated statement of financial position as they have a term of more than 1 year.

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flow reconciled to items in the balance sheet as follows:

Notes	31.12.2013	30.06.2013
	\$	\$
Cash and cash equivalents	1,689,754	1,721,333
Deposit with bank for guarantees		
Other non-current assets	103,758	103,758
Balance per statement of cash flows	<u>1,793,512</u>	<u>1,825,091</u>

NOTE 9: INTANGIBLE ASSETS – SOFTWARE

	31.12.2013	30.06.2013
	\$	\$
Software costs	4,227,379	3,877,745
Software accumulated amortisation	(2,907,434)	(2,666,380)
	<u>1,319,945</u>	<u>1,211,365</u>

NOTE 10: DEFERRED REVENUE

	31.12.2013	30.06.2013
	\$	\$
Current		
Support & maintenance fee received in advance	273,816	548,304
Unearned R&D Tax Incentive	146,217	114,751
	<u>420,033</u>	<u>663,055</u>
Non-Current		
Unearned R&D Tax Incentive	348,177	289,978
	<u>348,177</u>	<u>289,978</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2013**

NOTE 11: RELATED PARTY TRANSACTION

Revenue for software and hardware components amounted to \$4,405 which was provided to a company in which one of the directors has an ownership interest.

NOTE 12: ISSUED CAPITAL

	31.12.2013	30.06.2013
	\$	\$
17,793,229 fully paid ordinary shares	8,246,064	8,246,064

NOTE 13: RESTATEMENT OF PRIOR YEAR COMPARATIVE INFORMATION

The Company recognised the full amount of the R&D tax incentive as other income when there was a reasonable assurance that the money would be received (*AASB 112: Income Taxes*) in the financial statements for the period ended 31 December 2012.

In the 30 June 2013 financial statements the R&D tax incentive is recognised as other income only when the relevant costs that the grant is intended to compensate are expensed to the profit and loss (*AASB 120: Government Grants*).

As a consequence of the revised application of this policy, a portion of the government grant relating to the development costs is recognized in the profit and loss to match with the corresponding amortisation expense of the development cost (5 years). The remaining portion is carried on the Balance Sheet as either current or non-current deferred revenue and recognised in the Profit & Loss account over 5 years.

Several income statement line items for the prior period (31 December 2012) have been restated as follows:

Income Statement (extract)	31 Dec-12	Increase/ (Decrease)	31 Dec-12 (Restated)
Other income	349,464	(93,815)	255,649
Loss before income tax	(230,919)	(93,815)	(324,734)
Loss after income tax from continuing operations attributable to owners of the parent entity	(230,919)	(93,815)	(324,734)
Total comprehensive loss	(230,919)	(93,815)	(324,734)
Total comprehensive loss attributable to members of the parent entity	(230,919)	(93,815)	(324,734)
Basic Earnings per share (cents per share)	(1.30)		(1.83)
Diluted Earnings per share (cents per share)	(1.30)		(1.83)

DIRECTORS' DECLARATION

In the director's opinion:

- (a) the financial statements and notes set out on 5 to 12 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001;
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half year ended on that date; 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.

Dated at Sydney this 13th day of February 2014.

Signed in accordance with a resolution of the Directors.



Shaun Ankers
Chief Executive Officer
13 February 2014



Ottmar Weiss
Chairman
13 February 2014

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ENERGY ONE LIMITED

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Energy One Limited which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Energy One Limited and its controlled entity (the consolidated entity). The consolidated entity comprises both Energy One Limited (the company) and the entity it controlled during that half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Energy One Limited is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of their performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

Roger Wong

**ROGER WONG
PARTNER**

Dated this 13th day of February 2014