HANSEN TECHNOLOGIES LTD
ABN 90 090 996 455
AND CONTROLLED ENTITIES

FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2014
PROVIDED TO THE ASX UNDER LISTING RULE 4.3A

Rule 4.3A

Appendix 4E Preliminary Final Report

Hansen Technologies Limited and its Controlled Entities

ABN or equivalent company reference:	ABN: 90 090 996 455

1. Reporting period

Report for the financial year ended:	30 June 2014
Previous corresponding period is the financial year ended:	30 June 2013

2. Results for announcement to the market

		2014 $'000	2013 $'000
Operating revenues from ordinary activities	Up 35%	86,021	63,780
Profit from ordinary activities after tax attributable to members	Up 62%	14,801	9,133

	Amount per security	Franked amount per security
Final Dividend		
Final dividend for the year ended 30 June 2014	3¢	3¢
Final dividend for previous corresponding period	3¢	3¢
Payment date for the final dividend for the year ended 30 June 2014	30 September 2014	
Interim Dividend		
Interim dividend for the 2014 fiscal year	3¢	2.5¢
Interim dividend for previous corresponding period	3¢	2¢
Payment date for the interim dividend	28 March 2014	

A final dividend of 3 cents per share, fully franked, has been declared, bringing the total dividend for the year to 6 cents per share, with 5.5 cents being fully franked and 0.5 cents being unfranked.

Please refer to the attached preliminary financial report for the year ended 30 June 2014 and the accompanying press release for more detail.

3. Statement of Comprehensive Income

Refer to the attached statement and relevant notes

4. Statement of Financial Position

Refer to the attached statement and relevant notes

5. Statement of Cash Flows

Refer to the attached statement and relevant notes

6. Dividends

	Date of payment	**Total amount of dividend**
Three cent final dividend – year ended 30 June 2013	30 September 2013	$4,807,488
Three cent interim dividend – year ended 30 June 2014	28 March 2014	$4,817,174
Three cent final dividend – year ended 30 June 2014	30 September 2014	$4,865,839

Amount per security

		Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend:	Current year (interim)	3¢	83%	0¢
	Previous year (interim)	3¢	66%	0¢
	Current year (final)	3¢	100%	0¢
	Previous year (final)	3¢	100%	0¢

Total dividend paid on all securities

	Within the current fiscal year $A'000	Previous fiscal year $A'000
Ordinary securities	9,625	9,531
Total	**9,625**	**9,531**

7. Details of dividend or distribution reinvestment plans in operation are described below

A Dividend Reinvestment Plan has been established to provide shareholders with the opportunity to reinvest dividends in new shares rather than receiving cash. Detail of Hansen's Dividend Reinvestment Plan including the share pricing methodology is available on line at www.hsntech.com/investors/shareholder-information

The price for shares to be applied for in accordance with the DRP plan for this dividend shall be the full undiscounted value as prescribed by the plan.

The conduit foreign income component of this final dividend is nil.

The last date for receipt of election notices for participation in the dividend or distribution reinvestment plan	9 September 2014

8. Statement of retained earnings

	Consolidated Entity	
	2014 $'000	**2013 $'000**
Balance at the beginning of year	17,142	17,540
Net profit attributable to members of the parent entity	14,801	9,133
Total available for appropriation	31,943	26,673
Dividends paid	(9,625)	(9,531)
Balance at end of year	22,318	17,142

9. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	-1.9 cents	8.4 cents

10. Details of entities over which control has been gained during the period

Name of entity	**Hansen Banner, LLC** (incorporated in Delaware USA)
Date of gain of control	Incorporated in April 2014 to acquire the assets of the Banner business unit from Ventyx Inc. with effect on 1 May 2014.
Contribution to consolidated profit from ordinary activities after tax since the date in the current period when control was acquired	$469,831
Profit from ordinary activities after tax for the whole of the previous corresponding period	It is impracticable to disclose this detail as the Banner business unit was integrated within the larger parent entity of the seller and accordingly audited financials are not available for the business unit acquired.

11. Significant information relating to the entity's financial performance and financial position.

During the reported fiscal year the Company made the following acquisition;

Effective1 May 2014 – acquired the assets incorporating the contracts, software intellectual property and working capital items of the Banner CIS utilities billing and customer care business from Ventyx for a cash consideration funded from a combination Hansen's internal cash resources and existing third party debt facilities.

To provide additional financial capacity in support of the Group's strategic corporate initiatives, the Company during the year secured a A$20 million multicurrency 3 year term facility with its external bankers. The facility is secured by the Australian Group entities and guaranteed by the parent entity Hansen Technologies Limited.

Refer section 13 for additional comments.

12. The financial information provided in the Appendix 4E is based on the preliminary financial report (attached), which has been prepared in accordance with Australian accounting standards.

13. Commentary on the results for the period.

We are pleased to report an operating performance for the Fiscal year which represents a new record high for Hansen both in Revenue as well as Earnings per Share.

Our growth in Revenue as well as profitability year-on-year is an achievement to be proud of and I wish to congratulate and thank all of our 400 plus employees across 11 countries on their contribution and commitment over this past year.

Key Milestones

We have fully integrated and aligned the two acquisitions of the previous year and, more recently, successfully concluded an additional acquisition further expanding our presence in the North American market.

Our investment over the past two years in sales and marketing, expansion in North America, and enhanced delivery capacity is now paying off. New deals are being closed, delivery is performing to targeted expectations, and we have a customer prospect list which is expanding.

We have expanded our market presence significantly, growing our Utilities billing business to include Electricity, Gas and Water for major industry leaders as well as smaller emerging players and municipalities. We are now expanding into areas that operate in parallel with our Billing products and service these same industries. Additionally, our lengthy history of solutions for the telecommunications industry is ongoing. We are a major supplier of billing applications to the Digital Pay TV industry with a product offering targeted to the industry's highest growth opportunity, satellite-delivered Digital Pay TV in emerging markets and geographies.

All of these solutions are now being delivered globally by a growing team of skilled industry experts. We have significantly extended our physical presence around the world over the past two years and we now have a substantial international infrastructure and capacity upon which to build and continue to expand.

We are proud of our business achievements and the enhanced value we are delivering to our shareholders through sustainable growth. We have achieved our growth aspirations with minimal risk to our core business while consistently distributing solid dividends to our shareholders. Furthermore, we have done this while maintaining a minimum level of external debt.

Recent Strategic Acquisitions

The acquisition of the Banner business in May increased our commitment to and presence in North America, extended our product offerings, and opened up new markets for Hansen. We are delighted by the way the Banner staff have responded to joining the Hansen team. Their level of commitment and support throughout the transition phase has been excellent and we look forward to the prospects for growth that the Banner business represents.

Looking Ahead

We have again this year been able to deliver on a key objective of strategic growth and balanced diversification through acquisition. We will continue to pursue strategic acquisitions which are compatible with our existing business, build upon our focused markets, and expand our geographic and industry reach, while maintaining the key elements of our financial model underpinned by sustainable annuity revenue streams derived from proprietary software solutions.

The opportunity for organic growth is expanding. Our increased sales and marketing effort is delivering new business and prospects into the delivery funnel. We have a high degree of new project activity underway as well as a healthy pipeline of future projects lining up for next year and beyond. The advanced investment we made in delivery capacity was well-timed as the demands upon our people to deliver projects into the coming years looks to be considerable.

The outlook for growth next year and beyond is bright and we are confident that we will continue to be able to deliver sustainable growth. We expect revenues next year to exceed $95 Million resulting in an increased operating performance exceeding this year's record performance.

14. Audit of the financial report

The financial report is in the process of being audited.

15. The audit has not yet been completed

The financial report is not likely to be the subject of dispute or qualification.

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Comprehensive Income
For the Year Ended 30 June 2014

		Consolidated Entity	
		2014	2013
	Note	$'000	$'000
Revenue from continuing operations	2	86,021	63,780
Other revenues	2	436	1,578
Total revenues		**86,457**	**65,358**
Employee expenses	3	(46,425)	(35,075)
Depreciation expense	3	(1,588)	(1,597)
Amortisation expense	3	(3,130)	(2,075)
Property and operating rental expenses	3	(3,993)	(3,391)
Contractor and consultant expenses		(1,779)	(1,565)
Software licence expenses		(443)	(424)
Hardware and software expenses		(2,741)	(3,282)
Travel expenses		(2,317)	(1,597)
Communication expenses		(808)	(637)
Professional expenses		(1,022)	(766)
Other expenses		(2,753)	(2,280)
Total expenses		**(66,999)**	**(52,689)**
Profit before income tax		**19,458**	**12,669**
Income tax expense		(4,657)	(3,536)
Profit after income tax from ongoing operations		**14,801**	**9,133**
Other comprehensive income / (expense)			
Items that may be reclassified subsequently to profit and loss			
Movement in carrying value of foreign entities due to currency translation	14(a)	(658)	1,590
Other comprehensive income / (expense) for the year		**(658)**	**1,590**
Total comprehensive income for the year attributable to members of the parent		**14,143**	**10,723**
Basic earnings (cents) per share for continuing operations	15	9.2	5.7
Total basic earnings (cents) per share		**9.2**	**5.7**
Diluted earnings (cents) per share for continuing operations	15	9.0	5.6
Total diluted earnings (cents) per share		**9.0**	**5.6**

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Financial Position
As at 30 June 2014

		Consolidated Entity	
		2014	2013
	Note	$'000	$'000
Current Assets			
Cash and cash equivalents	5	3,829	9,653
Receivables	6	14,701	14,671
Other current assets	7	5,309	2,164
Total Current Assets		23,839	26,488
Non-Current Assets			
Plant, equipment & leasehold improvements	8	4,376	4,699
Intangible assets	9	68,774	45,654
Deferred tax assets		448	823
Total Non-Current Assets		73,598	51,176
Total Assets		97,437	77,664
Current Liabilities			
Payables	10	5,006	5,489
Borrowings	11	10,055	-
Current tax payable		1,061	1,116
Provisions	12	6,973	6,649
Unearned income		8,133	4,367
Total Current Liabilities		31,228	17,621
Non-Current Liabilities			
Provisions	12	123	176
Total Non-Current Liabilities		123	176
Total Liabilities		31,351	17,797
Net Assets		66,086	59,867
Equity			
Share capital	13	45,126	43,650
Foreign currency translation reserve	14(a)	(2,106)	(1,448)
Options granted reserve	14(b)	748	523
Retained earnings	14(c)	22,318	17,142
Total Equity		66,086	59,867

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2014

Consolidated Entity	Note	Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Balance as at 1 July 2013		43,650	(925)	17,142	59,867
Profit for the year		-	-	14,801	14,801
Movement in carrying value of foreign entities due to currency translation	14(a)	-	(658)	-	(658)
Total comprehensive income for the year		0	(658)	14,801	14,143
Transactions with owners in their capacity as owners:					
Employee share plan	13	160	-	-	160
Options exercised	13	337	-	-	337
Employee share options		-	225	-	225
Equity issued under dividend reinvestment plan	13	979	-	-	979
Dividends paid	4	-	-	(9,625)	(9,625)
Total transactions with owners in their capacity as owners		1,476	225	(9,625)	(7,924)
Balance as at 30 June 2014	13 & 14	45,126	(1,358)	22,318	66,086

Consolidated Entity	Note	Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Balance as at 1 July 2012		42,579	(2,692)	17,540	57,427
Profit for the year		-	-	9,133	9,133
Movement in carrying value of foreign entities due to currency translation	14(a)	-	1,590	-	1,590
Total comprehensive income for the year		0	1,590	9,133	10,723
Transactions with owners in their capacity as owners:					
Employee share plan	13	164	-	-	164
Options exercised	13	231	-	-	231
Employee share options		-	177	-	177
Equity issued under dividend reinvestment plan	13	676	-	-	676
Dividends paid	4	-	-	(9,531)	(9,531)
Total transactions with owners in their capacity as owners		1,071	177	(9,531)	(8,283)
Balance as at 30 June 2013	13 & 14	43,650	(925)	17,142	59,867

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Cash Flows
For the Year Ended 30 June 2014

		Consolidated Entity	
		2014	2013
	Note	$'000	$'000
Cash flows from operating activities			
Receipts from customers		93,440	65,791
Payments to suppliers and employees		(70,314)	(50,609)
Interest received		149	611
Finance costs		(58)	-
Income tax paid		(4,339)	(4,495)
Net cash provided by operating activities		18,878	11,298
Cash flows from investing activities			
Proceeds from sale of plant and equipment		-	4
Payment for acquisition of business		(21,812)	(13,827)
Payment for plant and equipment	8	(1,244)	(1,026)
Payment for capitalised development		(3,553)	(2,303)
Net cash used in investing activities		(26,609)	(17,152)
Cash flows from financing activities			
Proceeds from share issue	13	160	164
Proceeds from options exercised	13	337	231
Proceeds from borrowings	11	10,055	-
Dividends paid net of dividend re-investment		(8,645)	(8,855)
Net cash provided (used) in financing activities		1,907	(8,460)
Net decrease in cash and cash equivalents		(5,824)	(14,314)
Cash and cash equivalents at beginning of year		9,653	23,967
Cash and cash equivalents at end of the year	5	3,829	9,653

Notes to the Financial Statements
30 June 2014

1 Statement of significant accounting policies

The following is a summary of significant accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

These preliminary financial statements have been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards.

(b) Principles of consolidation

The consolidated financial statements are those of the consolidated entity, comprising the financial statements of the parent entity, Hansen Technologies Ltd, and of all entities, which the parent controls. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies, which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation.

(c) Revenue

Revenue from the provision of services to customers is recognised upon delivery of the service to the customer. Maintenance revenue when invoiced in advance is initially recognised as a liability until the service is performed. Accrued revenue is recognised on a percentage of completion basis in order to match revenues against incurred effort and expense.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered to have passed to the buyer at the time of delivery of the goods to the customer.

Interest revenue is recognised when it becomes receivable on a proportional basis, taking into account the interest rates applicable to the financial assets.

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

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short term deposits with an original maturity of six months or less held at call with financial institutions and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(e) Plant, equipment & leasehold improvements

Cost and valuation

All classes of plant, equipment and leasehold improvements are stated at cost less depreciation.

Depreciation

The depreciable amounts of all fixed assets are depreciated on a straight-line basis over their estimated useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives for each class of assets are:	2014	2013
Plant, equipment & leasehold improvements:	2.5 to 12 years	2.5 to 12 years
Leased plant and equipment:	2.5 to 12 years	2.5 to 12 years

(f) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Finance Leases

Leases of fixed assets, where substantially all of the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the consolidated entity are classified as finance leases. Finance leases are capitalised, recording an asset and liability equal to the present value of the minimum lease payments, including any guaranteed residual values. The interest expense is calculated using the interest rate implicit in the lease and is included in finance costs in the statement of comprehensive income.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely the consolidated entity will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Operating Leases

Lease payments for operating leases are recognised as an expense on a straight line basis over the term of the lease.

(g) Business combinations

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses and results in the consolidation of the assets and liabilities acquired. Business combinations are accounted for by applying the acquisition method.

The consideration transferred is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control.

Goodwill is recognised initially at the excess over the aggregate of the consideration transferred, the fair value of the non-controlling interest, less the fair value of the identifiable assets acquired and liabilities assumed.

Acquisition related costs are expensed as incurred.

(h) Intangibles

Goodwill

Goodwill is initially measured as described in Note 1(g).

Goodwill is not amortised but is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

Technology, Trademarks and Customer Contracts

Technology, trademarks and customer contracts are recognised at cost and are amortised over their estimated useful lives, which range from the term of the contract or 5 to 10 years. Technology, trademarks and customer contracts are carried at cost less accumulated amortisation and any impairment losses.

Research and Development

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when technical feasibility studies demonstrate that the project will deliver future economic benefits and these benefits can be measured reliably. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using a straight-line method to allocate the cost of the intangible asset over a five year period (or earlier if the development project is abandoned), commencing when the intangible asset is available for use.

Other development expenditure is recognised as an expense when incurred.

(i) Impairment

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

(j) Income tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax balances

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities settled. No deferred tax asset or liability is recognised in relation to temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax Consolidation

The parent entity and all eligible Australian controlled entities have formed an income tax consolidated group under the tax consolidation legislation. The tax consolidated group has entered a tax funding agreement whereby each entity in the tax-consolidated group recognises the assets, liabilities, expenses and revenues in relation to its own transactions, events and balances only. This means that:

- the parent entity recognises all current and deferred tax amounts relating to its own transactions, events and balances;

- the subsidiaries recognise current or deferred tax amounts arising in respect of their own transactions, events and balances;
- the current tax liabilities and deferred tax assets arising in respect of tax losses, are transferred from the subsidiary to the head entity as inter-company payables or receivables.

The tax consolidated group also has a tax sharing agreement in place to limit the liability of subsidiaries in the tax consolidated group arising under the joint and several liability requirements of the tax consolidation system, in the event of default by the parent entity to meet its payment obligations. This means that under the tax sharing agreement, the subsidiaries are legally liable to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(k) Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave, long service leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at the amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave and long service leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables.

(ii) Long-term employee benefit obligations

The provision for employee benefits in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date is measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

(iii) Retirement benefit obligations

Defined contribution superannuation plan

The consolidated entity makes contributions to defined superannuation plans in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the employee services are received.

(iv) Share-based payments

The consolidated entity operates share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is measured at the market bid price at grant date.

(v) Bonus plan

The consolidated entity recognises a provision when a bonus is payable in accordance with the employee's contract of employment or review letter and the amount can be reliably measured.

(vi) Termination benefits

Termination benefits are payable when employment of an employee or group of employees is terminated before the normal retirement date.

The consolidated entity recognises a provision for termination benefits when the entity can no longer withdraw the offer of those benefits, or if earlier, when the termination benefits are included in a formal restructuring plan that has been announced to those affected by it.

(m) Borrowing costs

Borrowing costs can include interest expense calculated using the effective interest method, finance charges in respect of finance leases. Borrowing costs are expensed as incurred.

(n) Financial instruments

Classification

The consolidated entity classifies its financial instruments in the following categories: loans and receivables and financial liabilities. The classification depends on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and Receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Financial Liabilities

Financial liabilities include trade payables, other creditors and loans from third parties. Financial liabilities are classified as current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(o) Foreign currencies translations and balances

Functional and presentation currency

The financial statements of each entity within the consolidated group are measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the consolidated entity’s functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies of entities within the consolidated group are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

All resulting exchange differences arising on settlement or re-statement are recognised as revenues and expenses for the financial year.

Entities that have a functional currency different to the presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at actual exchange rates or average exchange rates for the period, where appropriate; and
- All resulting exchange differences are recognised as a separate component of equity.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve as a separate component of equity in the balance sheet.

Exchange differences arising on the reduction of a foreign subsidiary's equity, continues to be recognised in the group's foreign currency translation reserve until such time that the foreign subsidiary is disposed of.

(p) 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 Tax Office. In these circumstances the GST is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cashflows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cashflows.

(q) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(r) Rounding amounts

The parent entity and the consolidated entity have applied the relief available under ASIC Class Order CO 98/0100 and accordingly, amounts in the consolidated financial statements and the Directors' report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(s) Adoption of new and amended accounting standards that are first operative at 30 June 2014

(a) AASB 10: Consolidated Financial Statements

The consolidated financial statements are those of the consolidated entity, comprising the financial statements of the parent entity and of all entities which the parent controls. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The consolidated entity concluded that the adoption of AASB 10 did not change the consolidation status of its subsidiaries. Therefore, no adjustments to any of the carrying amounts were required.

(b) AASB 11: Joint Arrangements

Under AASB 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the rights and obligations of the parties to the arrangement, rather than the legal structure of the joint arrangements.

If the parties share the right to the net assets of the joint arrangement, these parties are parties to a joint venture. A joint venturer accounts for an investment in the arrangement using the equity method, and the choice to proportionately consolidate will no longer be permitted.

If the parties share the right to the separate assets and obligations for the liabilities of the joint arrangement, these parties are parties to a joint operation. A joint operator accounts for assets, liabilities and corresponding revenues and expenses arising from the arrangement by recognising their share of interest in each item.

The consolidated entity has performed a detailed analysis of the new requirements and has determined AASB 11 has no impact on the composition or performance of the consolidated group.

(c) AASB 12: Disclosure of Interests in Other Entities

AASB 12 sets new minimum disclosures requirements for interest in subsidiaries, joint arrangements, associates and unconsolidated structured entities, however it was determined that these new requirements had no impact on the consolidated group.

(d) AASB 13: Fair Value Measurement

AASB 13 introduces a fair value framework for all fair value measurements as well as the enhanced disclosure requirements. Application of AASB 13 does not materially change the company's fair value measurements.

(e) AASB 119: Employee Benefits

The amendments to AASB 119 revise the definitions of short term and long term employee benefits, placing the emphasis on when the benefit is expected to be settled rather than when it is due to be settled. The group has assessed its impact and concludes that the adoption of AASB 119 has no material effect on the amounts recognised in current or prior years.

No other new and amended accounting standards effective for the financial year beginning 1 July 2013 affected any amounts recorded in the current or prior year.

(t) Accounting standards and interpretations issued but not operative at 30 June 2014

The following standards and interpretations have been issued at the reporting date but are not yet effective. The directors’ assessment of the impact of these standards and interpretations is set out below.

(i) AASB 9 *Financial Instruments,* AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9,* AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010), AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosure and AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments* (effective from 1 January 2017)

AASB 9 *Financial Instruments* improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. When adopted, the standard could change the classification and measurement of financial assets.

AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income for equity investments that are not held for trading. In the current reporting period, the group recognised $NIL in other comprehensive income in relation to the movements in the fair value of available for sale financial assets, which are not held for trading.

The consolidated entity does not have any financial liabilities that are designated at fair value through profit or loss. Therefore, there will be no impact on the consolidated entity’s accounting for financial liabilities.

Other standards and interpretations have been issued at the reporting date but are not yet effective. When adopted, these standards and interpretations are likely to impact on the financial information presented, however the assessment of impact has not yet been completed.

2 Revenue and other income

	Consolidated Entity	
	2014	**2013**
	$'000	**$'000**
Revenues from continuing operations		
Revenue from sale of goods and services	86,021	63,780
	86,021	63,780
Other income:		
From operating activities		
Interest received	149	611
Net foreign exchange gains	43	787
Other income	244	180
Total other revenues	436	1,578
Total revenue from continuing operations	**86,457**	**65,358**

3 Profit from continuing operations

		Consolidated Entity	
		2014	**2013**
	Note	**$'000**	**$'000**
Profit from continuing operations before income tax has been determined after the following specific expenses:			
Employee benefit expenses			
Wages and salaries		43,016	32,509
Superannuation costs		3,184	2,389
Share based payments		225	177
Total employee benefit expenses		46,425	35,075
Depreciation of non-current assets			
Plant, equipment & leasehold improvements	8	1,588	1,597
Total depreciation of non-current assets		1,588	1,597
Amortisation of non-current assets			
Technology, trademarks & customer contracts	9	1,627	774
Research and development	9	1,503	1,301
Total amortisation of non-current assets		3,130	2,075
Property and operating rental expenses			
Rental charges		3,993	3,391
Total property and operating rental expenses		3,993	3,391

4 Dividends

2014

The announcement of a 3 cent per share fully franked final dividend was made to the market on 26 August 2014.
The amount has not been recognised as a liability in the accounts of Hansen Technologies Ltd as at 30 June 2014.

	Consolidated Entity	
	2014	2013
	$'000	$'000
Dividends provided for or paid during the year		
- 3 cent per share final dividend paid 30 September 2013	4,807	
- 3 cent per share final dividend paid 28 September 2012		4,759
- 3 cent per share interim dividend paid 28 March 2014	4,818	
- 3 cent per share interim dividend paid 28 March 2013		4,772
	9,625	9,531
Proposed dividend not recognised at the end of the year.	4,866	4,800

5 Cash and cash equivalents

	Consolidated Entity	
	2014	2013
	$'000	$'000
Current		
Cash at bank and on hand	2,828	3,143
Interest bearing deposits	1,001	6,510
	3,829	9,653

6 Receivables

	Consolidated Entity	
	2014	2013
	$'000	$'000
Current		
Trade receivables	13,516	14,438
Less: provision for impairment	(317)	(238)
	13,199	14,200
Sundry debtors	1,502	471
	14,701	14,671

Trade and other receivables ageing analysis at 30 June:	Gross	Impairment	Gross	Impairment
	2014	2014	2013	2013
	$'000	$'000	$'000	$'000
Not past due	10,162	-	10,511	-
Past due 31-60 days	1,739	-	480	-
Past due 61-90 days	800	-	1,891	-
Past due more than 91 days	815	317	1,556	238
	13,516	317	14,438	238

7 Other current assets

	Consolidated Entity	
	2014	2013
	$'000	$'000
Current		
Prepayments	1,517	948
Accrued revenue	3,792	1,216
	5,309	2,164

8 Plant, equipment & leasehold improvements

	Consolidated Entity 2014 $'000	Consolidated Entity 2013 $'000
Plant, equipment & leasehold improvements at cost	25,711	23,898
Accumulated depreciation	(21,335)	(19,199)
Total plant, equipment & leasehold improvements	4,376	4,699

Reconciliation

Reconciliation of the carrying amounts of plant, equipment & leasehold improvements at the beginning and end of the current financial year.

	Consolidated Entity 2014 $'000	Consolidated Entity 2013 $'000
Plant, equipment & leasehold improvements		
Carrying amount at 1 July	4,699	4,554
Additions	1,244	1,026
Acquired	9	626
Disposals	(23)	4
Depreciation expense	(1,588)	(1,597)
Net foreign currency movements arising from foreign operations	35	86
Carrying amount at 30 June	4,376	4,699

9 Intangible assets

	Consolidated Entity 2014 $'000	Consolidated Entity 2013 $'000
Goodwill at cost	54,944	37,408
Accumulated amortisation & impairment	(1,433)	(1,418)
	53,511	35,990
Technology, trademarks & customer contracts at cost	12,377	7,177
Accumulated amortisation & impairment	(3,764)	(2,170)
	8,613	5,007
Software development at cost	28,627	29,705
Accumulated amortisation	(21,977)	(25,048)
	6,650	4,657
Total intangible assets	68,774	45,654
Reconciliation of goodwill at cost		
Carrying amount at 1 July	37,408	28,848
Increase due to acquisition	18,056	10,768
Net foreign currency movements arising from foreign operations	(520)	949
Fully amortised write back	-	(3,157)
Carrying amount at 30 June	54,944	37,408
Accumulated amortisation & impairment at beginning of year	(1,418)	(4,646)
Fully amortised write back	-	3,157
Net foreign currency movements arising from foreign operations	(15)	71
Accumulated amortisation & impairment at end of year	(1,433)	(1,418)
Reconciliation of technology, trademarks & customer contracts at cost		
Carrying amount at 1 July	7,177	3,117
Increase due to acquisition	5,390	3,626
Net foreign currency movements arising from foreign operations	(190)	434
Carrying amount at 30 June	12,377	7,177
Accumulated amortisation & impairment at beginning of year	(2,170)	(1,381)
Amortisation of technology, trademarks & customer contracts	(1,627)	(774)
Net foreign currency movements arising from foreign operations	33	(15)
Accumulated amortisation & impairment at end of year	(3,764)	(2,170)

Reconciliation of software development at cost		
Carrying amount at 1 July	29,705	27,402
Expenditure capitalised in current period	3,553	2,303
Fully amortised write back	(4,574)	-
Net foreign currency movements arising from foreign operations	(57)	-
Carrying amount at 30 June	28,627	29,705
Accumulated amortisation at beginning of year	(25,048)	(23,747)
Current year charge	(1,503)	(1,301)
Fully amortised write back	4,574	-
Accumulated amortisation at end of year	(21,977)	(25,048)

10 Payables

	Consolidated Entity	
	2014	2013
	$'000	$'000
Current		
Trade payables	1,394	1,127
Other payables	3,612	4,362
	5,006	5,489

11 Borrowings

	Consolidated Entity	
	2014	2013
	$'000	$'000
Current		
Secured		
Bank facility	10,055	-
	10,055	-

The Company has a secured $A 20 million multicurrency 3 year term facility with its external bankers to provide additional funding as required for acquisitions and general corporate purposes.
The facility is secured by the Australian Group entities and guaranteed by the parent entity Hansen Technologies Limited. As at 30 June 2014 the remaining unutilised portion of the facility is $A 9.945 Million.

12 Provisions

	Consolidated Entity	
	2014	2013
	$'000	$'000
Current		
Employee benefits	6,748	6,417
Onerous lease	130	147
Other	95	85
	6,973	6,649
Non-current		
Employee benefits	123	152
Other	-	24
	123	176
(a) Aggregate employee benefits liability	6,871	6,569
(b) Number of employees at year end	427	413
Reconciliations		
Movements in provisions other than employee benefits:		
Provisions Onerous Lease - current		
Carrying amount at beginning of year	147	-
Net provisions (payments) made during the year	(17)	147
Carrying amount at end of year	130	147
Other - current		
Carrying amount at beginning of year	85	129
Net provisions (payments) made during the year	10	(44)
Carrying amount at end of year	95	85
Other - non-current		
Carrying amount at beginning of year	24	22
Payments made during the year	(24)	-
Foreign exchange adjustment	-	2
Carrying amount at end of year	-	24

13 Contributed capital

	Consolidated Entity	
	2014	2013
	$'000	$'000
a) Issued and paid up capital		
Ordinary shares, fully paid	45,126	43,650

	Consolidated Entity		Consolidated Entity	
	2014	2014	2013	2013
	No of Shares	$'000	No of Shares	$'000
b) Movements in shares on issue				
Balance at beginning of the financial year	159,634,602	43,650	158,072,120	42,579
Shares issued under dividend reinvestment plan	825,800	979	813,722	676
Shares issued under employee share plan	134,240	160	178,760	164
Options exercised	615,000	337	570,000	231
Balance at end of the financial year	161,209,642	45,126	159,634,602	43,650

14 Reserves and retained earnings

	Note	Consolidated Entity 2014 $'000	Consolidated Entity 2013 $'000
Foreign currency translation reserve	14 (a)	(2,106)	(1,448)
Options granted reserve	14 (b)	748	523
Retained earnings	14 (c)	22,318	17,142

(a) Foreign currency translation reserve

This reserve is used to record the exchange differences arising on translation of a foreign entity.

Movements in reserve	2014 $'000	2013 $'000
Balance at beginning of year	(1,448)	(3,038)
Adjustment to carrying value of overseas interests due to currency fluctuation	(658)	1,590
Balance at end of year	(2,106)	(1,448)

(b) Options granted reserve

This reserve is used to record the fair value of options issued to employees as part of their remuneration.

Movements in reserve	2014 $'000	2013 $'000
Balance at beginning of year	523	346
Value of options granted during the year	225	177
Balance at end of year	748	523

(c) Retained earnings

	2014 $'000	2013 $'000
Balance at beginning of year	17,142	17,540
Dividends paid during the year	(9,625)	(9,531)
Net profit attributable to members of Hansen Technologies Ltd	14,801	9,133
Balance at end of year	22,318	17,142

15 Earnings per share

	Consolidated Entity 2014 $'000	Consolidated Entity 2013 $'000
Reconciliation of earnings used in calculating earnings per share:		
Basic earnings - ordinary shares	14,801	9,133
Diluted earnings - ordinary shares	14,801	9,133

	2014 no. shares	2013 no. shares
Weighted average number of ordinary shares used in calculating basic earnings per share:		
Number for basic earnings per share - ordinary shares	160,585,269	158,989,963
Number for diluted earnings per share - ordinary shares	165,742,352	162,788,114

	Cents per share	Cents per share
Basic earnings (cents) per share from continuing operations	9.2	5.7
Total basic earnings (cents) per share	9.2	5.7
Diluted earnings (cents) per share from continuing operations	9.0	5.6
Total diluted earnings (cents) per share	9.0	5.6

16 Parent entity information

	Parent Entity	
	2014	2013
	$'000	$'000
Summarised presentation of the parent entity, Hansen Technologies Ltd's, financial statements:		
(a) Summarised statement of financial position		
Assets		
Current assets	127	151
Non-current assets	62,411	65,335
Total assets	62,538	65,486
Liabilities		
Current liabilities	1,999	1,844
Non-current liabilities	-	4,181
Total liabilities	1,999	6,025
Net assets	60,539	59,461
Equity		
Share capital	45,126	43,650
Accumulated profits	14,665	15,288
Share based payments reserve	748	523
Total equity	60,539	59,461
(b) Summarised statement of comprehensive income		
Profit for the year	9,001	10,033
Total comprehensive income for the year	9,001	10,033

(c) Parent entity guarantees

Hansen Technologies Ltd, being the parent entity, has entered into a guarantee in regard to the loan facility

17 Segment Information

a) Description of segments

Inter-segment pricing is determined on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.
Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Business segments

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:
Billing: Represents the sale of billing applications and the provision of consulting services in regard to billing systems.
Outsourcing: Represents the provision of various IT outsourced services covering facilities management, systems and operations support, network services and business continuity support.
Other: Represents software and service provision in superannuation administration.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.
The consolidated entity's business segments operate geographically as follows:

- **APAC:** Sales and services throughout Australia and Asia
- **Americas:** Sales and services throughout the Americas
- **EMEA:** Sales and services throughout Europe, the Middle East and Africa

b) Segment information

2014	**Billing**	**Outsourcing**	**Other**	**Total**
	2014 Financial Year			
	$'000	$'000	$'000	$'000
Segment revenue				
Total segment revenue	75,065	7,064	3,892	86,021
Segment revenue from external source	75,065	7,064	3,892	86,021
Segment result before income tax				
Total segment result before income tax	17,111	2,914	1,302	21,327
Segment result from external source before income tax	17,111	2,914	1,302	21,327
Total segment assets	89,176	2,776	953	92,905
Total segment liabilities	14,656	1,931	1,064	17,651

2013	**Billing**	**Outsourcing**	**Other**	**Total**
	2013 Financial Year			
	$'000	$'000	$'000	$'000
Segment revenue				
Total segment revenue	51,729	8,555	3,496	63,780
Segment revenue from external source	51,729	8,555	3,496	63,780
Segment result before income tax				
Total segment result before income tax	9,908	3,390	1,062	14,360
Segment result from external source before income tax	9,908	3,390	1,062	14,360
Total segment assets	64,940	3,198	1,307	69,445
Total segment liabilities	13,333	2,427	991	16,751

i) Reconciliation of segment revenue from external source to the consolidated statement of comprehensive income

	2014	**2013**
	$'000	**$'000**
Segment revenue from external source	86,021	63,780
Other revenue	287	967
Interest revenue	149	611
Total revenue	86,457	65,358

Revenue from external source attributed to individual countries is detailed as follows:

	2014	**2013**
	$'000	**$'000**
APAC	36,033	31,842
Americas	19,982	12,113
EMEA	30,006	19,825
Total revenue	86,021	63,780

ii) Reconciliation of segment result from the external source to the consolidated statement of comprehensive income

	2014	**2013**
	$'000	**$'000**
Segment result from external source	21,327	14,360
Interest revenue	149	611
Interest expense	(58)	(1)
Depreciation & amortisation	(638)	(631)
Adjustment to carrying value of overseas interests due to currency fluctuation	658	(1,590)
Other expense	(1,980)	(80)
Total profit before income tax	19,458	12,669

iii) Reconciliation of segment assets to the consolidated statement of financial position

	2014	2013
	$'000	$'000
Segment assets	92,905	69,445
Unallocated assets		
- Cash	3,829	7,134
- Other	703	1,085
Total unallocated assets	4,532	8,219
Total assets	97,437	77,664

Non-current assets attributed to individual countries is detailed as follows:

	2014	2013
	$'000	$'000
APAC	44,055	50,182
Americas	49,554	22,939
EMEA	3,828	4,543
Total assets	97,437	77,664

iv) Reconciliation of segment liabilities to the consolidated statement of financial position

	2014	2013
	$'000	$'000
Segment liabilities	17,651	16,751
Unallocated liabilities		
- Bank facility	10,055	-
- Other	3,645	1,046
Total unallocated liabilities	13,700	1,046
Total liabilities	31,351	17,797