HANSEN TECHNOLOGIES LTD
ABN 90 090 996 455
AND CONTROLLED ENTITIES

FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2015
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 2015
Previous corresponding period is the financial year ended:	30 June 2014

2. Results for announcement to the market

		2015 $'000	2014 $'000
Operating revenues from ordinary activities	Up 24%	106,257	86,021
Profit from ordinary activities after tax attributable to members	Up 14%	16,944	14,801

	Amount per security	**Franked amount per security**
Final Dividend		
Final dividend for the year ended 30 June 2015	3.0¢	2.5¢
Final dividend for previous corresponding period	3.0¢	3.0¢
Payment date for the final dividend for the year ended 30 June 2015	30 September 2015	
Record date for determining entitlement to the future dividend	9 September 2015	

Interim Dividend		
Interim dividend for the 2015 fiscal year	3.0¢	2.5¢
Interim dividend for previous corresponding period	3.0¢	2.5¢
Payment date for the interim dividend	27 March 2015	
A final dividend of 3.0 cents per share, 2.5c franked, has been declared, bringing the total dividend for the year to 6.0 cents per share, with 5.0 cents being fully franked and 1.0 cent being unfranked. Please refer to the attached preliminary financial report for the year ended 30 June 2015 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 2014	30 September 2014	$4,874,390
Three cent interim dividend – year ended 30 June 2015	27 March 2015	$4,898,691
Three cent final dividend – year ended 30 June 2015	30 September 2015	$5,301,010

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year (interim)	3.0¢	83%	0¢
Previous year (interim)	3.0¢	83%	0¢
Current year (final)	3.0¢	83%	0¢
Previous year (final)	3.0¢	100%	0¢

Total dividend paid on all securities

	Within the current fiscal year $A'000	Previous fiscal year $A'000
Ordinary securities	9,773	9,625
Total	**9,773**	**9,625**

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	10 September 2015

8. Statement of retained earnings

	Consolidated Entity 2015 $'000	2014 $'000
Balance at the beginning of year	22,318	17,142
Net profit attributable to members of the parent entity	16,944	14,801
Total available for appropriation	39,262	31,943
Dividends paid	(9,773)	(9,625)
Balance at end of year	29,489	22,318

9. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	5.6 cents	-1.9 cents

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

Name of entity (first)	Hansen Holdings Europe Limited (was incorporated to purchase 100% share capital in TeleBilling A/S)
Date of gain of control	07/5/2015
Contribution to consolidated profit from ordinary activities after tax since the date in the current period when control was acquired	($310,711)
Profit from ordinary activities after tax for the whole of the previous corresponding period	Nil.

Name of entity	TeleBilling A/S (the trading entity, incorporated in Denmark)
Date of gain of control	12/5/2015 (effective from 1/5/2015)
Contribution to consolidated profit from ordinary activities after tax since the date in the current period when control was acquired	$743,324
Profit from ordinary activities after tax for the whole of the previous corresponding period	It is impracticable to disclose this detail as the TeleBilling business prior to our purchase was being accounted in Denmark in compliance with Danish General Accepted Accounting principles resulting in different accounting treatments to IFRS. Additionally, TeleBilling Systems A/S operated on conflicting comparative balance date.

11. Details of associates and joint venture entities

None

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

Results from Operations for the full year 2015

	FY15 $A million	FY14 $A million	Variance
Operating revenue	106.3	86.0	up 24%
EBITDA	31.3	24.1	up 30%
Profit before tax	24.0	19.5	up 23%
Income tax expense	(7.1)	(4.7)	up 51%
Net profit after tax	16.9	14.8	up 14%
Earnings per share	10.3 cents	9.2 cents	up 12%

Please refer to the attached Statements and Relevant Notes.

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

Hansen Holdings Europe Limited was incorporated to purchase 100% of the share capital of TeleBilling A/S. Control of TeleBilling was gained on 12 of May 2105 (effective 1 May 2015). The purchase price was 167 million Danish Kroner (DKK) approximately A$31.5 million.

During the year a new A$30 million multicurrency 3 year facility was negotiated, replacing the existing A$20 million facility. The new facility is secured on 90% of the groups assets. This facility supplemented company cash flows in the acquisition of the TeleBilling business. The loan was drawn to A$10 million at balance date and has subsequently been repaid.

Refer section 14 for additional comments.

13. 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.

14. Commentary on the results for the period.

Hansen is pleased to report a record breaking performance for the fiscal year with both revenue and earnings per share exceeding previous bench marks.

The company's growth and profit performance is an achievement all Hansen Staff can be proud of. I wish to extend my congratulations and thanks to the 500+ staff across the globe whose contribution and commitment delivered this outstanding result.

Key milestones

These results include the first full year of the Banner business purchased in May 2014. The Banner business has extended our reach into utilities billing with a broadening of our customer base to include electricity, gas and water for major industry leaders as well as municipalities.

We completed a further transaction within the period of the TeleBilling business. This acquisition, while focussing on our core competency of customer care and billing, extends our telecommunications and Pay TV offering into central and northern Europe.

Customer relationships continued to be strengthened with an ongoing investment in research and development. This investment has been welcomed by our customers as we focus development to deliver positive outcomes to their businesses.

The employment of key staff has continued throughout the year as we expand the international infrastructure to ensure our keen eye for detail is maintained both on new sales opportunities as well as customer delivery.

We continue to build an internationally focussed business that is well placed to take advantage of the expanding markets.

A pleasing aspect of the result was the strong cash flow generated from operations. Since year end the bank facility has been repaid in full.

Recent Strategic Acquisitions

The acquisition of the TeleBilling business in May 2015 has been a natural addition to the Hansen business. The naviBilling product complements Hansen's existing customer care and billing products and provides a critical mass of established telecommunications and Pay TV clients. In addition Hansen's capabilities have been expanded to include Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) software.

The acquisition has expanded the Hansen family by a further 90+ staff who share our excitement as we work to integrate the business.

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 contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph.

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Comprehensive Income
For the Year Ended 30 June 2015

		Consolidated Entity	
		2015	**2014**
	Note	**$'000**	**$'000**
Revenue from continuing operations	4	106,257	86,021
Other income	4	475	436
Total revenues and other income		**106,732**	**86,457**
Employee expenses	5	(55,295)	(46,425)
Depreciation expense	5	(1,863)	(1,588)
Amortisation expense	5	(5,213)	(3,130)
Property and operating rental expenses	5	(4,575)	(3,993)
Contractor and consultant expenses		(1,582)	(1,779)
Software licence expenses		(1,092)	(443)
Hardware and software expenses		(3,251)	(2,741)
Travel expenses		(3,719)	(2,317)
Communication expenses		(1,768)	(808)
Professional expenses		(1,407)	(1,022)
Other expenses		(2,964)	(2,753)
Total expenses		**(82,729)**	**(66,999)**
Profit before income tax		**24,003**	**19,458**
Income tax expense		(7,059)	(4,657)
Profit after income tax from ongoing operations		**16,944**	**14,801**
Other comprehensive income / (expense)			
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translation of foreign operations	3	10,052	(658)
Other comprehensive income / (expense) for the year		**10,052**	**(658)**
Total comprehensive income for the year attributable to members of the parent		**26,996**	**14,143**
Basic earnings (cents) per share for continuing operations	17	10.3	9.2
Total basic earnings (cents) per share		**10.3**	**9.2**
Diluted earnings (cents) per share for continuing operations	17	10.0	9.0
Total diluted earnings (cents) per share		**10.0**	**9.0**

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Financial Position
As at 30 June 2015

		Consolidated Entity	
		2015	2014
	Note	$'000	$'000
Current Assets			
Cash and cash equivalents	7	21,985	3,829
Receivables	8	19,950	14,701
Other current assets	9	5,202	5,309
Total Current Assets		47,137	23,839
Non-Current Assets			
Plant, equipment & leasehold improvements	10	7,556	4,376
Intangible assets	11	104,103	68,774
Deferred tax assets		3,599	2,578
Total Non-Current Assets		115,258	75,728
Total Assets		162,395	99,567
Current Liabilities			
Payables	12	8,005	5,006
Borrowings	13	10,087	10,055
Current tax payable		3,813	1,061
Provisions	14	8,862	6,973
Unearned income		13,570	8,133
Total Current Liabilities		44,337	31,228
Non-Current Liabilities			
Deferred tax liabilities		4,012	2,130
Borrowings	13	374	-
Provisions	14	143	123
Total Non-Current Liabilities		4,529	2,253
Total Liabilities		48,866	33,481
Net Assets		113,529	66,086
Equity			
Share capital	15	75,127	45,126
Foreign currency translation reserve	16(a)	7,946	(2,106)
Options granted reserve	16(b)	967	748
Retained earnings	16(c)	29,489	22,318
Total Equity		113,529	66,086

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2015

		Consolidated Entity			
Consolidated Entity	**Note**	**Contributed Equity $'000**	**Reserves $'000**	**Retained Earnings $'000**	**Total Equity $'000**
Balance as at 1 July 2014		45,126	(1,358)	22,318	66,086
Profit for the year		-	-	16,944	16,944
Movement in carrying value of foreign entities due to currency translation	16(a)	-	10,052	-	10,052
Total comprehensive income for the year		-	10,052	16,944	26,996
Transactions with owners in their capacity as owners:					
Employee share plan	15	155	-	-	155
Options exercised	15	1,257	-	-	1,257
Employee share options	16(b)	-	219	-	219
Equity issued under dividend reinvestment plan	15	1,510	-	-	1,510
Institutional placement	15	14,780	-	-	14,780
Share purchase plan offer	15	12,299	-	-	12,299
Dividends paid	6	-	-	(9,773)	(9,773)
Total transactions with owners in their capacity as owners		30,001	219	(9,773)	20,447
Balance as at 30 June 2015	15 & 16	75,127	8,913	29,489	113,529

		Consolidated Entity			
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	16(a)	-	(658)	-	(658)
Total comprehensive income for the year		-	(658)	14,801	14,143
Transactions with owners in their capacity as owners:					
Employee share plan	15	160	-	-	160
Options exercised	15	337	-	-	337
Employee share options	16(b)	-	225	-	225
Equity issued under dividend reinvestment plan	15	979	-	-	979
Dividends paid	6	-	-	(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	15 & 16	45,126	(1,358)	22,318	66,086

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Cash Flows
For the Year Ended 30 June 2015

	Consolidated Entity	
	2015	2014
	$'000	$'000
Cash flows from operating activities		
Receipts from customers	113,529	93,440
Payments to suppliers and employees	(72,336)	(70,314)
Interest received	60	149
Finance costs	(234)	(58)
Income tax paid	(4,129)	(4,339)
Net cash provided by operating activities	36,890	18,878
Cash flows from investing activities		
Payment for acquisition of business	(29,900)	(21,812)
Payment for plant and equipment	(3,037)	(1,244)
Payment for capitalised development	(4,479)	(3,553)
Net cash used in investing activities	(37,416)	(26,609)
Cash flows from financing activities		
Proceeds from share issue	27,436	160
Proceeds from options exercised	1,257	337
Proceeds from borrowings	24,000	10,055
Payment of borrowings	(25,748)	-
Dividends paid net of dividend re-investment	(8,262)	(8,645)
Net cash provided by (used in) financing activities	18,683	1,907
Net increase (decrease) in cash and cash equivalents	18,155	(5,824)
Cash and cash equivalents at beginning of year	3,829	9,653
Cash and cash equivalents at end of the year	21,985	3,829

Notes to the Financial Statements
30 June 2015

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

The 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. Subsidiaries are consolidated from the date that control is established.

(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:	2015	2014
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 the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquire. Deferred consideration payable is measured at fair value. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value.

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 at least 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 only;
- 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 annual leave and long service 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. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares and options expected to vest is reviewed and adjusted at each reporting date. The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

(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 except for borrowing costs incurred as part of the construction of a qualifying asset which are capitalised until the asset is ready for its intended use or sale.

(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.

Non-derivative financial instruments
Non-derivative financial instruments consist of investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are initially recognised at fair value, plus directly attributable transaction costs (if any), except for instruments recorded at fair value through profit or loss. After initial recognition, non-derivative financial instruments are measured as described below

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 2015

There are no new or amended accounting standards effective for the financial year beginning 1 July 2014 affected any amounts recorded in the current or prior year.

(t) Accounting standards and interpretations issued but not operative at 30 June 2015

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 15 Revenue from contracts with customers. AASB 15 introduces a five step process for revenue recognition with the core principle being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services. The five step approach is as follows:

- Step 1: Identify the contracts with the customer;
- Step 2: Identify the separate performance obligations;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price; and
- Step 5: Recognise revenue when a performance obligation is satisfied.

AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The effective date is annual reporting periods beginning on or after 1 January 2017.

The changes in revenue recognition requirements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact if any of AASB 15 has not yet been quantified.

(ii) AASB 9 Financial Instruments

Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using AASB 9 are to be measured at fair value.

Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income.

Impairment of assets is now based on expected losses in AASB 9 which requires entities to measure:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument.

The effective date is annual reporting periods beginning on or after 1 January 2018.

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 Critical accounting estimates and judgements

The group makes certain estimates and assumptions concerning the future which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a significant inherent risk and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below.

(a) Impairment of goodwill

The intangible asset of goodwill is subject to periodic review to assess if its carrying value has been impaired. This assessment compares the carrying book value with the recoverable amount of these assets using value in-use discounted cash low projection calculations based on management's determination of budgeted cash flow projections and gross margins, past performance and its expectations for the future. The valuation utilises the billing business segment of the Board approved budget for the subsequent fiscal year (being the business segment to which goodwill applies) and;
- provides for a constant 5% growth rate (2014: 3%) for the remainder of the forecast period, and
- utilises a 12% (2014:14.5%) weighted cost of capital discount rate, to
- determine the discounted value of the resultant cash flow over a five year period, plus terminal value using a terminal growth rate of 2% (2014: 3%) at period end.

(b) Impairment of non-financial assets other than goodwill

All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the consolidated entity. Impairment triggers include declining product or manufacturing performance, technology changes, adverse changes in the economic or political environment or future product expectations. If an indicator of impairment exists the recoverable amount of the asset is determined.

(c) Income tax

Income tax benefits are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Recognition of carried forward losses is based upon the probable future profits of the group.

3 Foreign currency translations and balances

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity.
On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

4 Revenue and other income

	Consolidated Entity	
	2015	**2014**
	$'000	**$'000**
Revenues from continuing operations		
Revenue from sale of goods and services	106,257	86,021
	106,257	86,021
Other income:		
From operating activities		
Interest received	60	149
Net foreign exchange gains	203	43
Other income	212	244
Total other income	475	436
Total revenue and other income from continuing operations	**106,732**	**86,457**

5 Profit from continuing operations

	Note	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Profit from continuing operations before income tax has been determined after the following specific expenses:			
Employee benefit expenses			
Wages and salaries		51,142	43,016
Superannuation costs		3,934	3,184
Share based payments		219	225
Total employee benefit expenses		55,295	46,425
Depreciation of non-current assets			
Plant, equipment & leasehold improvements	10	1,863	1,588
Total depreciation of non-current assets		1,863	1,588
Amortisation of non-current assets			
Technology, trademarks & customer contracts	11	3,082	1,627
Research and development	11	2,131	1,503
Total amortisation of non-current assets		5,213	3,130
Property and operating rental expenses			
Rental charges		4,575	3,993
Total property and operating rental expenses		4,575	3,993
Finance Charges			
Finance Costs		234	58
Total Finance Costs		234	58

6 Dividends

2015

A 3 cent per share partially franked final dividend was announced to the market on 27 August 2015. The amount declared has not been recognised as a liability in the accounts of Hansen Technologies Ltd as at 30 June 2015.

	Consolidated Entity	
	2015	2014
	$'000	$'000
Dividends provided for or paid during the year		
- 3 cent per share final dividend paid 30 September 2014	4,874	
- 3 cent per share final dividend paid 30 September 2013		4,807
- 3 cent per share interim dividend paid 27 March 2015	4,899	
- 3 cent per share interim dividend paid 28 March 2014		4,818
	9,773	9,625
Proposed dividend not recognised at the end of the year.	5,301	4,874
Dividend franking account		
30% franking credits, on a tax paid basis, are available to shareholders of Hansen Technologies Ltd for subsequent financial years.	2,473	1,879

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

a) franking credits that will arise from the payment of any current tax liability;
b) franking debits that will arise from the payment of any dividends recognised as a liability at year-end;
c) franking credits that will arise from the receipt of any dividends recognised as receivables at year-end;
d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

7 Cash and cash equivalents

	Consolidated Entity	
	2015	2014
	$'000	$'000
Current		
Cash at bank and on hand	5,718	2,828
Interest bearing deposits	16,267	1,001
	21,985	3,829

8 Receivables

	Consolidated Entity	
	2015	2014
	$'000	$'000
Current		
Trade receivables	19,578	13,516
Less: provision for impairment	(470)	(317)
	19,108	13,199
Sundry debtors	842	1,502
	19,950	14,701

Trade and other receivables ageing analysis at 30 June:	Gross	Impairment	Gross	Impairment
	2015	2015	2014	2014
	$'000	$'000	$'000	$'000
Not past due	15,708	-	10,162	-
Past due 31-60 days	1,350	-	1,739	-
Past due 61-90 days	1,072	-	800	-
Past due more than 91 days	1,448	470	815	317
	19,578	470	13,516	317

The entity expects to collect all debtor amounts where no provision for impairment has been recorded.

9 Other current assets

	Consolidated Entity	
	2015	2014
	$'000	$'000
Current		
Prepayments	1,990	1,517
Other receivables	38	-
Accrued revenue	3,174	3,792
	5,202	5,309

10 Plant, equipment & leasehold improvements

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Plant, equipment & leasehold improvements at cost	32,111	25,711
Accumulated depreciation	(24,555)	(21,335)
Total plant, equipment & leasehold improvements	7,556	4,376

Reconciliation

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

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Plant, equipment & leasehold improvements		
Carrying amount at 1 July	4,376	4,699
Additions	3,037	1,244
Acquired	1,960	9
Disposals	(19)	(23)
Depreciation expense	(1,863)	(1,588)
Net foreign currency movements arising from foreign operations	65	35
Carrying amount at 30 June	7,556	4,376

11 Intangible assets

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Goodwill at cost	81,888	54,944
Accumulated amortisation & impairment	(1,454)	(1,433)
	80,434	53,511
Technology, trademarks & customer contracts at cost	21,740	12,377
Accumulated amortisation & impairment	(7,487)	(3,764)
	14,253	8,613
Software development at cost	29,574	28,627
Accumulated amortisation	(20,158)	(21,977)
	9,416	6,650
Total intangible assets	104,103	68,774
Reconciliation of goodwill at cost		
Carrying amount at 1 July	54,944	37,408
Increase due to acquisition	20,062	18,056
Net foreign currency movements arising from foreign operations	6,882	(520)
Carrying amount at 30 June	81,888	54,944
Accumulated amortisation & impairment at beginning of year	(1,433)	(1,418)
Net foreign currency movements arising from foreign operations	(21)	(15)
Accumulated amortisation & impairment at end of year	(1,454)	(1,433)
Reconciliation of technology, trademarks & customer contracts at cost		
Carrying amount at 1 July	12,377	7,177
Increase due to acquisition	7,091	5,390
Net foreign currency movements arising from foreign operations	2,272	(190)
Carrying amount at 30 June	21,740	12,377
Accumulated amortisation & impairment at beginning of year	(3,764)	(2,170)
Amortisation of technology, trademarks & customer contracts	(3,082)	(1,627)
Net foreign currency movements arising from foreign operations	(641)	33
Accumulated amortisation & impairment at end of year	(7,487)	(3,764)

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Reconciliation of software development at cost		
Carrying amount at 1 July	28,627	29,705
Expenditure capitalised in current period	4,479	3,553
Fully amortised write back	(3,994)	(4,574)
Net foreign currency movements arising from foreign operations	462	(57)
Carrying amount at 30 June	29,574	28,627
Accumulated amortisation at beginning of year	(21,977)	(25,048)
Current year charge	(2,131)	(1,503)
Fully amortised write back	3,994	4,574
Net foreign currency movements arising from foreign operations	(44)	-
Accumulated amortisation at end of year	(20,158)	(21,977)

12 Payables

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Current		
Trade payables	1,885	1,394
Other payables	6,120	3,612
	8,005	5,006

Included in other payables is a liability for contingent consideration expected to be paid in relation to a business combination dated 1st May 2015.

13 Borrowings

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Current		
Secured		
Term facility	10,000	10,055
Lease liability	87	-
	10,087	10,055
Non-current		
Secured		
Lease liability	374	-
	374	-

The Company has a secured A$30 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 90% of group assets . As at 30 June 2015 the remaining unutilised portion of the facility is A$20 Million. Subsequent to balance date the amount outstanding was repaid in full.

The Company has a lease liability relating to IT equipment due for repayment in full by January 2020.

14 Provisions

	Consolidated Entity 2015 $'000	Consolidated Entity 2014 $'000
Current		
Employee benefits	8,586	6,748
Onerous lease	-	130
Other	276	95
	8,862	6,973
Non-current		
Employee benefits	143	123
	143	123
(a) Aggregate employee benefits liability	8,729	6,871
(b) Number of employees at year end	544	427
Reconciliations		
Movements in provisions other than employee benefits:		
Provisions Onerous Lease - current		
Carrying amount at beginning of year	130	147
Net provisions (payments) made during the year	(130)	(17)
Carrying amount at end of year	-	130
Other - current		
Carrying amount at beginning of year	95	85
Net provisions (payments) made during the year	181	10
Carrying amount at end of year	276	95

15 Contributed capital

	Consolidated Entity	
	2015	2014
	$'000	$'000
a) Issued and paid up capital		
Ordinary shares, fully paid	75,127	45,126

	Consolidated Entity		Consolidated Entity	
	2015	2015	2014	2014
	No of Shares	$'000	No of Shares	$'000
b) Movements in shares on issue				
Balance at beginning of the financial year	161,209,642	45,126	159,634,602	43,650
Shares issued under dividend reinvestment plan	931,695	1,510	825,800	979
Shares issued under employee share plan	65,720	155	134,240	160
Options exercised	1,345,000	1,257	615,000	337
Institutional placement	6,966,717	14,780	-	-
Share purchase plan offer	5,676,559	12,299	-	-
Balance at end of the financial year	176,195,333	75,127	161,209,642	45,126

16 Reserves and retained earnings

		Consolidated Entity	
		2015	2014
	Note	$'000	$'000
Foreign currency translation reserve	16 (a)	7,946	(2,106)
Options granted reserve	16 (b)	967	748
Retained earnings	16 (c)	29,489	22,318

(a) Foreign currency translation reserve

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

Movements in reserve	2015	2014
Balance at beginning of year	(2,106)	(1,448)
Adjustment to carrying value of overseas interests due to currency fluctuation	10,052	(658)
Balance at end of year	7,946	(2,106)

(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	2015	2014
Balance at beginning of year	748	523
Value of options granted during the year	219	225
Balance at end of year	967	748

(c) Retained earnings

	2015	2014
Balance at beginning of year	22,318	17,142
Dividends paid during the year	(9,773)	(9,625)
Net profit attributable to members of Hansen Technologies Ltd	16,944	14,801
Balance at end of year	29,489	22,318

17 Earnings per share

	Consolidated Entity	
	2015	2014
	$'000	$'000
Reconciliation of earnings used in calculating earnings per share:		
Basic earnings - ordinary shares	16,944	14,801
Diluted earnings - ordinary shares	16,944	14,801

	2015	2014
	no. shares	no. shares
Weighted average number of ordinary shares used in calculating basic earnings per share:		
Number for basic earnings per share - ordinary shares	164,045,486	160,585,269
Number for diluted earnings per share - ordinary shares	169,374,596	165,742,352

	Cents per share	Cents per share
Basic earnings (cents) per share from continuing operations	10.3	9.2
Total basic earnings (cents) per share	10.3	9.2
Diluted earnings (cents) per share from continuing operations	10.0	9.0
Total diluted earnings (cents) per share	10.0	9.0

Classification of securities as potential ordinary shares

The securities that have been classified as potential ordinary shares and included in diluted earnings per share only are options outstanding under the Employee Share Option Plan.

18 Parent entity information

Summarised presentation of the parent entity, Hansen Technologies Ltd.'s, financial statements:

	Parent Entity 2015 $'000	Parent Entity 2014 $'000
(a) Summarised statement of financial position		
Assets		
Current assets	68	127
Non-current assets	85,502	62,411
Total assets	85,570	62,538
Liabilities		
Current liabilities	3,773	1,999
Non-current liabilities	13	-
Total liabilities	3,786	1,999
Net assets	81,784	60,539
Equity		
Share capital	75,127	45,126
Accumulated profits	5,690	14,665
Share based payments reserve	967	748
Total equity	81,784	60,539
(b) Summarised statement of comprehensive income		
Profit for the year	798	9,001
Total comprehensive income for the year	798	9,001

(c) Parent entity guarantees

Hansen Technologies Ltd, being the parent entity, has entered into a guarantee in regard to the loan facility (refer note 13), but other than that has not entered into any guarantees in relation to debts of its subsidiaries.

19 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.

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.

IT 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

	2015 Financial Year			
	Billing	**Outsourcing**	**Other**	**Total**
2015	$'000	$'000	$'000	$'000
Segment revenue				
Total segment revenue	97,275	6,040	2,942	106,257
Segment revenue from external source	97,275	6,040	2,942	106,257
Segment result				
Total segment result	21,779	2,858	958	25,595
Segment result from external source	21,779	2,858	958	25,595
Items included within the segment result:				
Depreciation expense	1,514	84	6	1,604
Amortisation expense	5,213	-	-	5,213
Total segment assets	144,167	2,655	1,293	148,115
Additions to non-current assets	1,285	631	-	1,916
Total segment liabilities	32,695	1,606	782	35,082

2014	**2014 Financial Year**			
	Billing	**Outsourcing**	**Other**	**Total**
	$'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				
Total segment result	17,111	2,914	1,302	21,327
Segment result from external source	17,111	2,914	1,302	21,327
Items included within the segment result:				
Depreciation expense	836	25	17	878
Amortisation expense	3,202	2	-	3,204
Total segment assets	79,121	2,776	953	82,850
Additions to non-current assets	923	103	-	1,026
Total segment liabilities	14,656	1,931	1,064	17,651

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

	2015	**2014**
	$'000	**$'000**
Segment revenue from external source	106,257	86,021
Other revenue	415	287
Interest revenue	60	149
Total revenue	106,732	86,457

Revenue from external source attributed to geographical segments is detailed as follows:

	2015	**2014**
	$'000	**$'000**
APAC	39,068	36,033
Americas	32,142	19,982
EMEA	35,047	30,006
Total revenue	106,257	86,021

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

	2015	**2014**
	$'000	**$'000**
Segment result from external source	25,595	21,327
Interest revenue	60	149
Interest expense	(234)	(58)
Depreciation & amortisation	(259)	(638)
Other expense	(1,160)	(1,322)
Total profit before income tax	24,003	19,458

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

	2015	**2014**
	$'000	**$'000**
Segment assets	148,115	82,850
Unallocated assets		
- Cash	21,985	13,884
- Other	2,295	2,833
Total unallocated assets	24,280	16,717
Total assets	172,395	99,567

Assets attributed to individual countries is detailed as follows:

	2015	**2014**
	$'000	**$'000**
APAC	49,401	46,185
Americas	55,181	49,554
EMEA	43,532	3,828
Total assets	148,114	99,567

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

	2015	**2014**
	$'000	**$'000**
Segment liabilities	35,082	17,651
Unallocated liabilities		
- Bank facility	10,000	10,055
- Other	3,784	5,775
Total unallocated liabilities	13,784	15,830
Total liabilities	48,866	33,481