

28 September 2015

Company Announcements Office
Australian Stock Exchange
Level 4
20 Bridge Street
Sydney NSW 2000

Via ASX Online

(Page 1 of 67)

ANNOUNCEMENT

ANNUAL REPORT

Attached is the Academies Australasia Group Limited Annual Report for the year ended 30 June 2015.

Chris Grundy
Company Secretary

For further information call Chris Grundy, CFO, or Christopher Campbell on +61 2 9224 5555.

Academies Australasia has been operating for 107 years and listed on the Australian Securities Exchange for 38 years. The group comprises 18 separately licensed colleges operating in New South Wales, Victoria, South Australia, Western Australia and Queensland in Australia, and in Singapore. The group offers more than 250 qualifications in a wide range of recognised courses at different levels – Certificates, Diplomas, Advanced Diplomas and Bachelor and Master Degrees. Over the years, Academies Australasia colleges have taught tens of thousands of students from 122 countries, including 6 dependencies.



ACADEMIESAUSTRALASIA

THE POSSIBILITIES ARE INFINITE

ACADEMIES AUSTRALASIA GROUP LIMITED
ANNUAL REPORT 2015

ACN 000 003 725

ACADEMIES AUSTRALASIA GROUP LIMITED

ANNUAL REPORT 2015

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REPORT OF THE CHAIRMAN AND THE GROUP MANAGING DIRECTOR

Our business environment

The financial year to 30 June 2015 was the first year in our 107 year history where we were exclusively engaged in education and training.

Our target markets are mainly international students in Australia and overseas, and domestic students taught and trained directly or via arrangements with their employers. We have long sought a long term plan, supported by all branches of government that all participants can work from. It was therefore pleasing to note the formation of the Coordinating Council for International Education in June this year. The Council will be responsible for finalising Australia's first ever National Strategy for International Education. In the year to 30 June 2015 exports from Australia's international education services sector reached a record high of \$18.1 billion, an increase of 14.2% on the previous year. International demand for Australian standard education is expected to continue to grow. The view that the Australian dollar is at a level higher than where it should be is another encouraging sign for international education. We continue to be positive about international education.

The domestic scene seems less clear. The availability of government funding in this sector attracts some operators who have less than the desired standards. Their behaviour often leads to the government reducing funding or making it more expensive or difficult to obtain, or increased operating costs from reporting more information. There has also been the tendency for the rules to change when there is a change in government. We see more challenges in the sector.

Results for the year ended June 2015

Excluding sales from Premier Fasteners (which was sold in December 2013) and revaluations of investments to market value

- revenue increased by 38% to \$57 million, while
- earnings before interest, taxation, depreciation and amortization (EBITDA) fell from \$4.04 million to \$1.36 million.

Most of the increase in revenue came from acquisitions made in 2014 and 2015. The main reasons for the fall in EBITDA, reported elsewhere in this report, were the adverse impact of policy changes by certain business partners, cut-backs and delays in the roll-out of certain government training subsidy programmes, the downturn in the mining sector in Western Australia, corporate restructure costs and expansion costs in the form of additional and better quality space.

There will be no final dividend for the financial year ended 30 June 2015.

Outlook

Your Board is confident about the future. We now have 18 separately licensed colleges offering more than 250 qualifications in a wide range of subjects, in five states in Australia, and in Singapore. The acquisitions made over the past few years are being consolidated, with staff and management being assimilated into a strong team. The Board has been strengthened and the new management position of Chief Financial Officer filled. While such consolidation, streamlining and centralisation of certain functions for better efficiencies is costly, in the longer term the benefits will show.

The world demand for international education (students enrolled for education outside their country of citizenship) is expected to continue to increase and Australia is an attractive destination for international students. We believe that Academies Australasia is well positioned in this space. In respect to domestic students, we have reviewed our offerings and strategies, and are confident that we will do better.

Board

In October 2014, Gary William Cobbledick was elected to the Board. Bill Say Mui Foo joined the Board in July 2015. They bring to the Board table additional skills and experience. We welcome them.

On 24 September 2015, Raphael Geminder, who was elected to the Board in October 2014, resigned to dedicate more time to his other business interests. We thank him for his valuable contribution while he was on the Board.

Rights issue and Directors' loans

In August 2015, the Board resolved that the Company makes a Rights Issue to shareholders to raise \$4,000,000 in cash.

Each of the Directors having an interest in the shares of the Company committed to procuring that the entities where they had a relevant interest subscribe for their share of the Rights Issue. The Directors extended loans to the Company to the total of \$2,639,200 on the basis that these loans will be converted to their relevant interests' respective shares of the Rights Issue, when subscriptions for the Rights Issue open. Further information about the Rights Issue and Directors' loans are covered in the Directors' Report on page 6 in this report.

Acquisitions

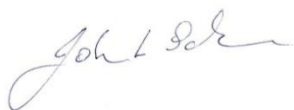
We acquired two colleges in the 2015 financial year, both in the first half, compared to six in the previous financial year. These acquisitions are being bedded down. The Board would like to welcome the management and staff of Language Links International and Skills Training Australia to the Academies Australasia Group. While we will continue to consider opportunities for expansion, we are in no rush to grow and will be careful to avoid opportunities that are expensive.

Performance Incentive Programme

The Company is addressing the establishment of a revised performance incentive programme that was referred to in the Chairman's report last year.

Acknowledgement

On behalf of all the members of the Board, we would like to extend our sincere appreciation to all shareholders, students, customers and business associates for their loyalty and support, and to all management and staff for their contribution during the year under review.



Dr John Lewis Schlederer
Chairman



Christopher Elmore Campbell
Group Managing Director and CEO

107th ANNUAL DIRECTORS' REPORT

Your Directors present their report on Academies Australasia Group Limited (the Company) and its controlled entities (jointly the Group) for the year ended 30 June 2015.

DIRECTORS

The names of Directors in office at any time during, or since the end of, the financial year are:

Dr John Lewis Schlederer	
Christopher Elmore Campbell	
Chiang Meng Heng	
Gabriela Del Carmen Rodriguez Naranjo	
Gary William Cobbledick	Appointed 23 October 2014
Raphael Geminder	Appointed 23 October 2014
	Resigned 24 September 2015
Bill Say Mui Foo	Appointed 1 July 2015

Dr John Lewis Schlederer, Christopher Elmore Campbell, Chiang Meng Heng and Gabriela Del Carmen Rodriguez Naranjo have all been in office since the start of the financial year to the date of this report.

Details on the Directors and Company Secretary are set out on pages 8 to 10.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was the provision of training and education services.

CONSOLIDATED RESULT

Early-adoption of Accounting Standard AASB 15 '*Revenue from Contracts with Customers*'

The consolidated entity has considered its recognition of income policies and, following these deliberations, has decided, with effect for the financial year ended 30 June 2015, to early-adopt the new Accounting Standard AASB 15 '*Revenue from Contracts with Customers*'.

In summary, the adoption of the new accounting standard defers the recognition of revenue from contracts with students. The Directors formed the view that no revenue from the provision of tuition should be recognised until tuition has commenced and that revenue should be recognised as the tuition is provided.

In the opinion of the Directors, the adoption of the requirements of AASB 15 provides more relevant information concerning the delivery of services and the transfer of risks in providing the services.

The changes affect revenue, the costs directly applicable to obtaining contracts with students and certain amounts in the statement of financial position. The changes have no effect upon the timing and recognition of cash receipts and income tax payable. The effects of the change are detailed in Note 1 to the financial statements and result in the re-statement of comparative figures in the financial statements.

Consolidated result

The consolidated profit of the Group for the financial year, after providing for income tax and eliminating non-controlling entity interests, amounted to \$173,000 (2014: \$4,295,000).

REVIEW OF OPERATIONS

A review of the operations of the Group during the financial year and the results of those operations is as follows:

Following the sale of Premier Fasteners Pty Limited on 1 December 2013, the Group's operations became exclusively the provision of training and education services. In the following information, comparative amounts for the previous financial year exclude the fasteners business:

- Revenue increased by 42% to \$57,551,000 (2014: \$40,465,000).
- Revenue excluding unrealised income from the revaluation of investments increased by 48% to \$56,945,000 (2014: \$38,356,000). Most of the increase came from acquisitions made in the year under review and prior financial year.
- Profit from ordinary activities before income tax, decreased from \$5,200 000 to a loss of \$388,000.

Acquisition of controlled entities

On 16 August 2014 the Group acquired 75% of the issued share capital of Language Links International Pty Limited, an English Language college located in Perth, for a consideration of \$289,000 satisfied in cash.

On 20 November 2014 the Group acquired 100% of the issued share capital of Transformations – Pathways to Competence and Developing Excellence Pty Limited T/A Skills Training Australia (STA), a registered training organisation located in Melbourne that specialises in the delivery of high quality training programs in Nursing, Disability Services, Community Services, Health and Aged Care, for a purchase consideration payable in cash in three tranches. The first tranche payment of \$1,250,000 was settled on 20 November 2014. The second tranche payment, of \$2,402,000, based on 1.5 times 2015 EBIT, was paid on 31 August 2015 and the third tranche payment, based on 1 time 2016 EBIT, is due by 30 August 2016.

Dividends Paid or Proposed

A final dividend for the year ended 30 June 2014 of three cents per share, fully franked, (\$1,862,000) was paid on 26 September 2014. An interim dividend for the year ended 30 June 2015 of one and a half cents per share, fully franked, (\$931,000) was paid on 15 April 2015.

The Directors do not propose that the Company pays a final dividend for the year ended 30 June 2015.

FINANCIAL POSITION

The net assets of the Group have decreased by \$2,651,000 since 30 June 2014 to \$25,562,000. Explanations for this are set out below in "Significant changes in state of affairs".

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Earnings before interest, taxation, depreciation and amortisation (EBITDA) for the year ended 30 June 2015, excluding unrealised income from the revaluation of investments, decreased 66% to \$1,360,000 (2014: \$4,036,000).

The main reasons for the decline in performance were:

Operations

- A university (pathway) partner changed their student recruitment criteria at short notice, several times. These actions led to substantial enrolment cancellations.

- Another university partner imposed stringent restrictions on student recruitment, also at short notice, reducing enrolment opportunities.
- Provisions have been taken in June for refunds to students who may be affected by university partner courses that have been cancelled.
- In Victoria, certain subsidies were cut back, while the rollout of 'Smart and Skilled' funding in New South Wales was slower than expected.
- The adverse publicity arising from a large listed company operating in the vocational sector and the reports of bad practices by training organisations and brokers, contributed to lower domestic demand.
- Earnings from operations in Western Australia were impacted by the downturn in the mining sector.

Restructure

There were corporate restructure costs for consolidation, streamlining and centralisation of certain functions for better efficiencies

Expansion

Higher rents were incurred for larger and better quality premises for operations in Melbourne (where Academies Australasia Polytechnic relocated to 628 Bourke Street) and in Brisbane. The additional space is required for programme expansion.

Apart from the matters mentioned above, there were no significant changes in the state of affairs of the consolidated group during the reporting period.

EVENTS AFTER THE REPORTING PERIOD

Rights Issue and Directors' Loans to the Company

In August 2015, the Board resolved that the Company makes a Rights Issue to shareholders to raise \$4,000,000 in cash.

At that time, the Directors, together, had an interest in 65.98% of the total of 62,063,484 shares in the Company. Each of the Directors having an interest in the shares of the Company committed to subscribe for their share of the Rights Issue, meaning that \$2,639,200 was committed. These same Directors extended loans to the Company to the total of \$2,639,200 on the basis that these loans will be converted to their respective shares of the Rights Issue, when subscriptions for the Rights Issue open. The Directors' commitments to the Rights Issue (equal to the loan amounts) are as follows:

Directors' with interests in shares	Shares	Percentage of Total	Pro Rata share of \$4,000,000 Rights Issue	Loan to Company
Dr John Lewis Schlederer	1,450,000	2.34%	\$93,600	\$93,600
Chiang Meng Heng	25,291,886	40.75%	\$1,630,000	\$1,630,000
Christopher Elmore Campbell	7,777,777	12.53%	\$501,200	\$501,200
Gabriela del Carmen Rodriguez Naranjo	25,000	0.04%	\$1,600	\$1,600
Gary William Cobbledick	926,645	1.49%	\$59,600	\$59,600
Raphael Geminder ^a	1,473,209	2.37%	\$94,800	\$94,800
Gary William Cobbledick and Raphael Geminder ^a	4,006,396	6.46%	\$258,400	\$258,400
	40,950,913	65.98%	\$2,639,200	\$2,639,200

^a Mr Geminder resigned as a director on 24 September 2015.

Mr Bill Say Mui Foo does not hold, directly or indirectly, any shares in the Company.

Each of the Directors' loans was made to the Company on or before 25 August 2015. These loans bear interest at the rate that the ANZ Bank charges the Company for its overdraft facility, and the loans are subordinated to the ANZ Bank's debt facilities.

The purpose of the loans, to be repaid from the capital raising of \$4,000,000, was primarily to meet the second tranche payment for the acquisition of STA, amounting to \$2,402,000, which was made on 31 August 2015. As announced on 20 November 2014, the second tranche payment to the vendor of STA is computed at 1.5 times Earnings before Interest and Tax for the year ended 30 June 2015. The funds of \$2,639,200 loaned by Directors were applied to meet this payment. Surplus funds were taken to working capital.

The Rights Issue will be a 3 for 14 Renounceable Issue. The shares will be offered at 30 cents each, which reflects a discount of 12.1% on the volume-weighted average trade price (VWAP) of 34.1 cents for the period 1 September to 25 September 2015. The Issue will be underwritten.

Apart from the matters mentioned above, there were no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The Chairman's and the Group Managing Director's Report (Pages 2 and 3) addresses the Group's outlook. Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL ISSUES

The Group's operations are not subject to any significant environmental legislation.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company's constitution provides an indemnity to officers of the Company. The Company is required to pay all costs, losses and expenses that an officer may incur by reason of any contract entered into or act or thing done by them in the discharge of their duties except where they act dishonestly.

The Company has also paid an insurance premium in respect of a directors and officers liability insurance policy covering the directors and officer's liabilities as officers of the Company.

OPTIONS

No options have been issued on the Company's shares.

ROUNDING OF AMOUNTS

The Director's report is presented in Australian Dollars and rounded to the nearest thousand dollars in accordance with Class Order 98/100.

INFORMATION ON DIRECTORS

Dr John Lewis Schlederer	Independent, Non-executive, Director, appointed 21 August 2009 (6 years 1 month), Chairman since 1 January 2014 (1 year 7 months).
Qualifications	B.Sc (Hons), PhD, Grad. Diploma.
Experience	More than 20 years teaching experience, at University of New South Wales and TAFE NSW (Technical and Further Education, New South Wales) and many years in business.
Interest in Shares	1,450,000 shares (2.34%)
Special Responsibilities	Chairman of the Board, Chairman of the Remuneration Committee. Chairman of the Audit and Risk Committee until 16 July 2015.
Directorships held in other listed entities	None
Christopher Elmore Campbell	Group Managing Director and Chief Executive Officer, appointed 1 July 1996 (19 years 3 months).
Qualifications	B.Soc.Sci. (Hons), FFin, FAICD, FCIS, FSCA.
Experience	Experience in mergers and acquisitions and more than 15 years' experience in managing educational institutions. Previous positions include senior appointments with the Monetary Authority of Singapore and an international bank in Australia.
Interest in Shares	Director, Asia Society Australia. 7,777,777 shares (12.53%)
Special Responsibilities	Member of the Remuneration Committee.
Directorships held in other listed entities	None.
Chiang Meng Heng	Non-executive Director, appointed 15 February 2000 (15 years 7 months).
Qualifications	BBA (Hons)
Experience	Previous positions include Treasurer, Citibank NA, Singapore and Hong Kong, Adviser & Head, Banking Supervision, Monetary Authority of Singapore, President, Asia Commercial Bank Ltd, Managing Director, First Capital Corporation Ltd, Executive Director, Far East Organization and Group Managing Director, Lim Kah Ngam Ltd.
Interest in Shares	25,291,886 shares (40.75%)
Special Responsibilities	Member of the Audit and Risk Committee and Remuneration Committee.
Directorships held in other listed entities	Far East Orchard Limited and Macquarie International Infrastructure Fund Limited (both listed on the Singapore Exchange).
Gabriela Del Carmen Rodriguez Naranjo	Executive Director, appointed 21 October 2013 (1 year 11 months). Alternate Director, May 2011 to December 2013 (2 years 7 months), (Alternate to Neville Thomas Cleary (Retired 31 December 2013)).
Qualifications	B. Comp.Sci, B.Sci. Sys. Eng, MAICD.
Experience	More than 14 years' experience managing educational institutions, including experience in acquisitions, marketing, regulatory compliance, curriculum development and lecturing.
Interest in Shares	25,000 shares
Special Responsibilities	None.
Directorships held in other listed entities	None

Gary William Cobbledick	Executive Director, appointed 23 October 2014 (11 months)
Qualifications	BA, LLB, LLM.
Experience	Five years in the Vocational Education and ELICOS sectors in Australia. Previously a corporate lawyer in New York. Has held leadership roles in the retirement living, aged care, recycling and book industries.
Interest in Shares	4,933,041 shares (7.95%)
Special Responsibilities	None.
Directorships held in other listed entities	None

Raphael Geminder	Non-executive Director, appointed 23 October 2014, resigned 24 September 2015 (11 months)
Qualifications	Masters of Business Administration and Finance.
Experience	Strong connection to the academic sector for many years including the publishing sector. Has an extensive depth of commercial knowledge and business acumen and is able to offer strategic guidance for growth, especially with respect to mergers, acquisitions and on-going value realisation. He is a member of the RMIT University College of Business Industry Advisory Board and has other varied board roles outside of business, demonstrating a wider commitment to the community. Founder and Chairman of Pact Group Holdings Limited, a leading Australasian packaging business. Co-founder and Chairman of Visy Recycling, growing it into the largest recycling company in Australia. Victoria's first Honorary Consul to the Republic of South Africa.
Interest in Shares	5,479,605 shares (8.83%)
Special Responsibilities	None
Directorships held in other listed entities	Pact Group Holdings Limited.

Bill Say Mui Foo	Independent, non-executive Director, appointed 1 July 2015 (3 months)
Qualifications	BBA, MBA
Experience	Chairman of the Singapore Business Circle, a chapter of the Trans-Tasman Business Circle. Previously Vice Chairman of ANZ South & South East Asia, with responsibilities for joint ventures, corporate banking and senior client engagements, Chief Executive Officer of ANZ Singapore, South East Asia Head of Investment Banking for Schroders International Merchant Bankers Ltd and President Director of Schroders Indonesia.
Interest in Shares	Nil
Special Responsibilities	Chairman of the Audit and Risk Committee (appointed 17 July 2015).
Directorships held in other listed entities	Mewah International Inc (Listed on the Singapore Exchange).

COMPANY SECRETARY

Chris Grundy

Qualifications

Experience

Other Responsibilities

Appointed 17 July 2015.

B.Com, GradDipAppCorpGov, FCA, FCIS, GAICD.

6 years as Company Secretary in ASX-listed companies.

Chief Financial Officer.

Stephanie Noble

Qualifications

Experience

Other Responsibilities

27 November 2006 to 16 July 2015.

BA (Hons) Accounting, FCCA (UK), CPA (Australia).

8 years as Company Secretary of Academies Australasia Group Limited.

Group Finance Manager.

MEETINGS OF DIRECTORS

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by the directors of the Company during the 2015 financial year were:

<u>Director</u>	<u>Directors' Meetings</u>		<u>Audit and Risk Committee</u>		<u>Remuneration Committee</u>	
	<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>
Dr John Lewis Schlederer	5	5	2	2	1	1
Christopher Elmore Campbell	5	5	-	-	1	1
Chiang Meng Heng	5	5	2	2	1	1
Gabriela Del Carmen Rodriguez Naranjo	5	5	-	-	-	-
Gary William Cobbledick	1	1	-	-	-	-
Raphael Geminder	1	1	-	-	-	-

A - Number of meetings held during the time the Director held office during the period

B - Number of meetings attended

INFORMATION ON SENIOR EXECUTIVES

Christopher Elmore Campbell	Group Managing Director and Chief Executive Officer Other details as per Information on the Directors (above).
Gabriela Del Carmen Rodriguez Naranjo	Executive Director Other details as per Information on the Directors (above).
Gary William Cobbledick	Executive Director Other details as per Information on the Directors (above).
Chris Grundy Qualifications Experience Other Responsibilities	Chief Financial Officer B.Com, GradDipAppCorpGov, FCA, FCIS, GAICD. More than 25 years in commerce, including roles in general management, finance, operations, sales and marketing in Australia and abroad. Industry experience includes professional services and regulated operations. Company Secretary - Academies Australasia Group Limited.
Esther Teo Qualifications Experience	Director and Chief Executive Officer of Academies Australasia Polytechnic MBA, GradDipMgmt 30 years senior management in Singapore and Australia, including roles in retail, information technology, strategic business planning and supply chain management. 10 years of tertiary teaching, curriculum design and education management.
Ingeborg Loon Qualifications Experience	Director, International BA, B.Economics & Japanese Studies, GradDipBusAdmin. 25 years' senior management experience in the internationalisation and export of education at universities and in the vocational sector in Australia. Advocacy and policy development for ACPET (Australian Council for Private Education and Training). Board Member of IEAA (International Education Association of Australia).

REMUNERATION REPORT – AUDITED

Remuneration Policies

The Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the Group Managing Director and Chief Executive Officer, Senior Executives and the Directors themselves. This role also includes responsibility for share option schemes, performance incentive packages, superannuation entitlements, retirement and termination entitlements, fringe benefit policies and professional indemnity and liability insurance policies. Remuneration levels are set to attract appropriately qualified and experienced directors and senior executives.

During the year, the members of the Remuneration Committee were Dr John Lewis Schlederer, Chiang Meng Heng and Christopher Elmore Campbell.

All executives receive a fixed base salary, which is based on factors such as market factors and experience, and superannuation (as required by law). Executives may sacrifice part of their salary to towards superannuation.

There are no options over unissued capital. The Company does not have an employee share option plan. All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed.

Non-executive Directors' remuneration comprises fixed fees. The maximum aggregate amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at the Annual General Meeting. The amount approved at the 2009 Annual General Meeting is \$250,000 per annum. Fees for Non-executive Directors are not linked to the performance of the Group.

Directors and Senior Executives

a. Directors and Senior Executives

Details of the Directors and Senior Executives holding office at any time during the financial year are set out on pages 8 to 11.

b. Directors and Senior Executives Remuneration

30 June 2015 Directors and Senior Executives	Short-term employee benefits			Post- employment benefits	Total
	Cash, salary and commissions	PIP ^d /bonus	Non-monetary benefits	Superannuation	
	\$000s	\$000s	\$000s	\$000s	
Dr John Lewis Schlederer	28	-	-	35	63
Christopher Elmore Campbell	371	-	-	79	450
Chiang Meng Heng	32	-	-	3	35
Gabriela Del Carmen Rodriguez Naranjo	148	19	-	16	183
Gary William Cobbledick ^a ,	247 ^c	-	-	20	267
Raphael Geminder ^b	43 ^c	-	-	-	43
Chris Grundy (from 21 May 2015)	-	-	-	29	29
Esther Teo	102	28	-	32	162
Ingeborg Loon	150	-	-	14	164
	1,121	47	-	228	1,396

30 June 2014 Directors and Senior Executives

	Short-term employee benefits			Post- employment benefits	Total
	Cash, salary and commissions	PIP ^d /bonus	Non-monetary benefits	Superannuation	
	\$000s	\$000s	\$000s	\$000s	
Dr John Lewis Schlederer	21	-	-	33	54
Neville Cleary (to 31 December 2013)	25	-	-	2	27
Christopher Elmore Campbell	372	71	-	78	521
Chiang Meng Heng	32	-	-	3	35
Gabriela del Carmen Rodriguez Naranjo	136	172 ^e	-	24 ^e	332
Esther Teo	102	73 ^f	-	34 ^f	209
Gary William Cobbledick ^a ,	15	-	-	1	16
Ingeborg Loon (from 15 July 2014)	145	-	-	1	159
Ivan Mikkelsen (to 1 December 2013)	70	-	-	13	83
Edmund Kwan (to 3 October 2014)	78	32	-	10	120
	996	348	-	212	1,556

^a Senior executive from 1 June 2014, Director from 23 October 2014.

^b Director from 23 October 2014 to 24 September 2015.

^c Included within remuneration paid to Directors in the year ended 30 June 2015 is an amount paid by the Group on behalf of Gary William Cobbledick and Raphael Geminder totalling \$84,000. This amount was paid in settlement of an obligation of the two Directors arising from their prior ownership of Spectra Training. The amount has been apportioned according to their proportional ownership of Spectra Training. The amount will not be reimbursed.

^d PIP is the Performance Incentive Plan which was closed on 22 October 2013.

Non-recurring payment arising from the early closure of the PIP:

^e Gabriela Del Carmen Rodriguez Naranjo \$133,000

^f Esther Teo \$56,000

None of the remuneration paid to any Director or Senior Executive is tied to any specific performance condition.

c. Options issued as part of remuneration for the year ended 30 June 2015

The Group has no employee share plan. No options were granted as part of remuneration.

d. Employment contracts of Senior Executives

The employment conditions of all Senior Executives are formalised in written contracts of employment. Generally, the employment contracts stipulate a one-month notice period. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the company can terminate employment at any time.

Christopher Elmore Campbell has a fixed term contract of employment which expires on 31 December 2017.

Gary William Cobbledick has a fixed term contract of employment which expires on 31 May 2018.

PROCEEDINGS ON BEHALF OF THE COMPANY

Having successfully defended a claim against them in preceding financial years, the Company, together with its subsidiary Academies Australasia Institute Pty Limited, continue to pursue their claim for costs against Keith Franklin Kennett in the Supreme Court of NSW.

The Company was not a party to any other proceedings in a Court of Law during the year.

AUDITORS' INDEPENDENCE DECLARATION

The Auditor's Independence Declaration for the year ended 30 June 2015 appears on page 23 and forms part of the Directors' Report for the year ended 30 June 2015.

NON-AUDIT SERVICES

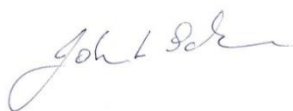
The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services by the external auditors, Pilot Partners, during the year is compatible with the general standard of independence of auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditors' independence for the following reasons:

- All non-audit services are reviewed and approved by the Audit and Risk Committee.
- The nature of services provided does not compromise the general principles relating to audit independence.

The following fees were paid or payable for non-audit services to the external auditors during the year ended 30 June 2015:

• Taxation services	\$72,000	(current year)
• Taxation services	\$34,000	(prior year)
• Other services	\$55,000	

Signed in accordance with a resolution of the Board of Directors.



Dr John Lewis Schlederer
Director



Christopher Elmore Campbell
Director

28 September 2015

CORPORATE GOVERNANCE STATEMENT

The Board of Academies Australasia Group Limited ('the Company') endorses the Australian Securities Exchange ('ASX') Corporate Governance Principles and Recommendations, (3rd Edition) ('Recommendations'). This Corporate Governance Statement outlines the Company's governance practices and is prepared in accordance with the Recommendations.

Given the size of the Company, it is neither reasonable nor practicable to comply with certain of the Recommendations. This statement identifies and explains where the Company has not complied fully with the eight principles stated in the Recommendations during the year ended 30 June 2015 and to the date of this statement.

This Corporate Governance Statement was approved by the Board and is current as at 28 September 2015.

At that date, the Board comprised the following Directors:

- Dr John Lewis Schlederer	Chairman, Independent, Non-executive
- Christopher Elmore Campbell	Group Managing Director and Chief Executive Officer
- Chiang Meng Heng	Non-executive
- Gabriela Del Carmen Rodriguez Naranjo	Executive
- Gary William Cobbledick	Executive
- Bill Say Mui Foo	Independent, Non-executive

At that date, the Senior Executives of the Group comprised the following:

- Christopher Elmore Campbell	Group Managing Director and Chief Executive Officer
- Gabriela Del Carmen Rodriguez Naranjo	Executive Director
- Gary William Cobbledick	Executive Director
- Esther Teo	Director and Chief Executive Officer of Academies Australasia Polytechnic
- Ingeborg Loon	Director, International
- Chris Grundy	Chief Financial Officer and Company Secretary

Principle 1 – Lay solid foundations for management and oversight

Roles and Responsibilities of Board and Management

Role of the Chairman

The Chairman leads the Board, its meetings and the Directors, so that all Directors are able to contribute effectively, all matters are properly considered and there is clear decision-making.

Role of the Board of Directors

The Board provides leadership and strategic guidance to the Company and effective oversight of its management. The Board acts on behalf of all shareholders and is accountable to the shareholders for the strategy, governance and performance of the Company.

Key responsibilities include:

- appointing the Chairman;
- appointing and, if necessary, replacing the Group Managing Director and Chief Executive Officer;
- overseeing management's implementation of the Company's strategic objectives and its performance generally;
- approving operating budgets and major capital expenditure;
- reviewing and ratifying systems of risk management and internal compliance and control;

- overseeing the integrity of the Company's financial and information reporting systems, including external audit;
- overseeing the Company's processes for making timely and balanced disclosure to the ASX;
- ensuring that the Company has an appropriate risk management framework;
- approving the Company's remuneration policies and framework; and
- monitoring the effectiveness of the Company's governance practices.

The Board retains ultimate authority over the management of the Company, however day-to-day management of the Company according to the Board's directives is formally delegated to the Group Managing Director and Chief Executive Officer.

The Board meets regularly and also as required. Details of each Director's meetings attendance record are set out in the Directors' report contained in the Company's annual reports.

Roles of Committees of the Board

The Board appoints and is assisted by committees which are responsible for specified operations of the Company. The Committees act by considering relevant matters and making recommendations to the Board.

The Board satisfies itself that the members of each committee are competent and will exercise their delegated functions in accordance with directors' duties.

There are currently two committees of the Board.

Audit and Risk Management Committee. Members of this committee are:

Bill Say Mui Foo (Chairman, appointed 17 July 2015)

Dr John Lewis Schlederer (Chairman until 16 July 2015)

Chiang Meng Heng

Remuneration Committee. Members of this committee are:

Dr John Lewis Schlederer (Chairman)

Chiang Meng Heng

Christopher Elmore Campbell

Details of each member's committee meetings attendance record are set out in the Directors' report contained in the Company's annual reports.

All Directors are expected to exercise independent judgement on all Board matters. All Directors have the right to seek independent professional advice in the furtherance of their duties as directors at the Company's expense. Written approval must be obtained from the Chairman prior to incurring any expense on behalf of the Company.

Role of the Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters concerning the proper functioning of the Board.

Roles of Senior Executives

The Company sets out in writing the respective responsibilities and performance expectations of all Senior Executives, including Executive Directors. Individual performance against expectations is regularly monitored by the Group Managing Director and Chief Executive Officer. Formal appraisals are conducted at least annually. All Senior Executives were reviewed in respect to performance during the year ended 30 June 2015.

Principle 2 – Structure the Board to add value

Board Composition

The Board currently consists of three Non-executive Directors and three Executive Directors. In accordance with the Recommendations, the position of Chairman is held by an independent director and the roles of Chairman and Group Managing Director are exercised by separate individuals.

Details of the names, qualifications, experience and expertise of each director in office at the date of the Company's annual report, are set out in the Directors' Report.

Directors' independence

The Board regularly assesses whether each Director is independent in accordance with the Recommendations and, when assessing a Director's independence, materiality is assessed on a case by case basis having regard to the individual circumstances of the Director. Accordingly:

Dr John Lewis Schlederer (Chairman) and Bill Say Mui Foo are considered to be independent, non-executive directors.

Chiang Meng Heng, Non-executive Director, is not considered to be independent as he has relevant interest of 5% or more in the Company's shares.

Christopher Elmore Campbell, Group Managing Director and Chief Executive Officer, and Gary William Cobbledick, Executive Director, are not considered to be independent as they are Senior Executives of the Company and each has a relevant interest of 5% or more in the Company's shares.

Gabriela Del Carmen Rodriguez Naranjo, Executive Director, is not considered to be independent as she is a Senior Executive of the Company.

There are therefore two independent directors.

The Company does not meet the Recommendation that there be a majority of independent directors. However, the Board confirms that nothing has come to its attention that would cause it to question current procedures and governance for a company of its business, structure and size. The performance of each of the non-independent directors has led the Board to conclude that each acts consistently in the best interests of the Company.

The Non-executive Directors set aside time after each Board meeting to confer without Executive Directors or other Senior Executives being present.

Board Skills

The Board considers that the mix of skills required for it to properly perform its function is as follows:

- executive and non-executive director experience
- experience or knowledge in the provision of training and education services in Australia and overseas, especially in Asia
- corporate and business leadership, including growing enterprises
- corporate governance
- independent strategic thinking
- subject matter expertise, including:
 - financial and capital management
 - corporate financing
 - mergers and acquisitions
 - risk management
 - marketing of training and education services
 - government relations and education policy – locally and internationally

Currently the Board considers that there are no significant gaps in the skills available to it from the directors collectively.

The Board regularly reviews this list of skills and the extent to which the Directors contribute the skills listed.

Nominations Committee

The purpose of a Nominations Committee is to ensure that the Board comprises directors with a range of skills and experience appropriate for achieving its mandate.

Currently, there is no separately appointed Nominations Committee and, instead, the Board undertakes all the functions of a Nominations Committee. The Board nominates new directors to fill occasional vacancies. When

considering the appointment of a new director, the Board follows the Recommendations for a Nominations Committee, as outlined below.

Procedure for Selection and Appointment of New Directors

The structure of the Board is determined having regard to the following criteria:

- The Chairman should be a Non-executive Director, preferably independent.
- A majority of the Board should be Non-executive Directors, preferably independent.
- The roles of Chairman and Group Managing Director should not be exercised by the same individual.
- The Board should comprise directors with an appropriate range of qualifications and expertise.
- The Company should meet the requirements of the ASX Diversity Guidelines.

Selection and appointment of directors

The following principles and guidelines are adhered to in the selection and appointment of new directors:

- The Board is required to have a broad range of skills, experience, diversity, and commercial expertise to ensure that it discharges its mandate effectively. Therefore, when an individual is nominated for consideration as a director, they are evaluated on their skills, experience, diversity and how they would complement or enhance the Board's effectiveness.
- The composition of the Board needs to be conducive to making decisions expediently and in the best interests of the Company as a whole.
- Individuals being considered for appointment as non-executive directors are required to provide the Board with details of their other commitments and an indication of the time involved. Candidates must be able to satisfy the Board that they will have sufficient time to undertake their duties. The Board undertakes independent checks of the details of individuals being considered for appointment to the Board.
- The Constitution of the Company provides that the Board may at any time appoint a person to be a director. That person shall hold office until the end of the next general meeting and shall be eligible for election at that meeting.
- The Constitution of the Company provides that at every general meeting one-third of the directors or, if their number is not a multiple of three, then the number nearest to one-third, shall retire from office and be eligible for re-election.
- The Company provides detailed information as per the Recommendations to assist shareholders in their decision whether to elect a director standing for election or re-election.

Presently, the Company does not have a written agreement with each director setting out the terms of their appointment. The Company is aware that, under the Recommendations, written agreements are expected between it and each of its directors. The Company is formalising suitable agreements which, when signed, will satisfy the Recommendations in this regard.

Board Performance Evaluation and Succession Planning

At least annually, the Board conducts reviews of its performance, policies and practices. Reviews include examination and evaluation of:

- the effectiveness and composition of the Board, including the required mix of skills, experience, diversity and other qualities that the directors collectively bring to the Board;
- the professional development of directors to enable each to develop and maintain the skills and knowledge needed for the effective performance of their role;
- the Company's strategic direction, objectives, and corporate governance practices;
- the objectives and achievements of the Group Managing Director and Chief Executive Officer and each of the Senior Executives and
- the organisational structure and succession planning for the Company's Senior Executives and for the Board itself.

In addition, the Chairman discusses their individual performance with Directors throughout the year.

The Board reviewed its performance and the performance of its committees, individual Directors and all Senior Executives in respect of the year ended 30 June 2015.

Principle 3 – Act ethically and responsibly

Code of Conduct

The Company has a Code of Conduct to guide the Board and Senior Executives as to the practices necessary to maintain confidence in the Company and in the accountability of individuals for reporting and investigating reports of unethical practices. The Company and its directors, managers, employees and contractors are expected to act with high standards of honesty, integrity, independent judgement, fairness, and equity; striving at all times to enhance the reputation and performance of the Group as a whole.

The Company's Code of Conduct is on the Company's website (www.academies.edu.au).

Diversity Policy

The Company is committed to diversity and inclusiveness. It aims to provide an environment in which employees have equal access to opportunities, are treated with fairness and respect and are not unfairly judged. This commitment enables the Company to attract and retain people with the best skills and abilities.

A copy of the Company's Diversity Policy is on the Company's website (www.academies.edu.au)

The Company does not favour or discriminate on gender. As at 30 June 2015, the personnel of the Group, not including casual employees, comprised:

	Men	Women
Board	5	1
Senior Executives (including Executive Directors)	3	3
Total all personnel	112	143

Women comprise 38% of Senior Executives and Board directors. The objective of 30% female composition of the Board and Senior Executive group combined was therefore achieved. At that date, 56% of Group employees (excluding casual academic staff) were women. The objective is to have an equal balance of men and women employees (excluding casual academic staff).

Group employees have a wide range of qualifications, experience, periods of service, ethnic and cultural backgrounds.

Share Trading Policy

A copy of the Company's policy on the trading of the Company's securities is on the Company's website (www.academies.edu.au).

The policy requires that the Company's directors, managers, employees, advisers and contractors must not trade in the Company's securities while in possession of price sensitive information.

Principle 4 – Safeguard integrity in corporate reporting

Audit and Risk Committee

During the year to 30 June 2015, the Audit and Risk Committee comprised Dr John Lewis Schlederer and Chiang Meng Heng. The Committee was chaired by Dr John Lewis Schlederer.

Details of the qualifications, skills and expertise of the directors appointed to the Audit and Risk Committee and their attendance at meetings of the committee are included in the Directors' Report in the Company's Annual report.

Until the appointment to the Committee on 17 July 2015 of Bill Say Mui Foo as its Chairman, the Company did not comply with the Recommendations that there be a minimum of three members, that the Chairman is

not also the Chairman of the Board and that the Committee has a majority of independent directors. Since the appointment of Bill Say Mui Foo to the Committee, the Company complies with all three of these Recommendations.

The Company has consistently complied with the Recommendation that all members of the Committee be non-executive.

The functions of the Audit and Risk Committee encompass:

- Financial reporting
- Financial, legal and operational risk management
- Internal financial controls
- External audit

In the year to 30 June 2015, the Group Managing Director, Directors, Group Finance Manager and external auditors attended Audit and Risk Committee meetings at the invitation of the Committee.

The Audit and Risk Committee's Charter is available on the Company's website (www.academies.edu.au).

Principle 5 – Make timely and balanced disclosure

Continuous Disclosure

It is Company policy that it complies with its continuous disclosure obligations under the ASX Listing Rules.

Directors, employees and contractors must immediately notify the Group Managing Director and Chief Executive Officer or Company Secretary if they become aware of any information that should be considered for release to the market. The information is reviewed by the Board and, if considered appropriate, disclosure is made to the ASX.

The Company will not release any such information to any other party until acknowledgement has been received from the ASX that the information has been released to the market.

A copy of the Company's Continuous Disclosure policy is on the Company's website (www.academies.edu.au).

Principle 6 – Respect the rights of security holders

The Company recognises that shareholders must receive high quality relevant information in a timely manner in order to be able to properly and effectively exercise their rights.

The Company aims to ensure that shareholders are informed of all major developments affecting the Company. Information is communicated to shareholders on a regular basis through continuous disclosures and half yearly and annual reports. The Board ensures that these reports include all relevant information about the operations of the Company, changes in the state of affairs of the Company and information on future developments.

All documents that are released publicly (i.e. ASX Announcements and Annual Reports), together with this Statement and all Company charters and policies referenced in this Statement, are available on the Company's website (www.academies.edu.au).

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as resolutions. The Board also requests that the external auditors attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditors' report.

Investor enquiries about the Company are welcomed and are responded to, within the provisions of the Listing Rules, by the Group Managing Director and Chief Executive Officer or Company Secretary.

The Company prefers enquiries via email to address: companysecretary@academies.edu.au.

Investors may elect for their communications from the Company to be by electronic means.

Principle 7 – Recognise and manage risk

The Board has established policies for the oversight and management of material business risks. The Audit and Risk Committee assists the Board in carrying out this function.

Material business risks that have the potential to adversely impact the Company's operations are addressed, comprising:

- a. Financial risk
- b. Strategic and operational risk
- c. Legal risk

Procedures exist to monitor risk, with ultimate reporting to the Board, through either the Audit and Risk Committee for financial and business risk or the Group Managing Director and Chief Executive Officer for operational risk.

The Board acknowledges that the policies are designed to provide reasonable but not absolute protection against error and irregularity and that they are intended to identify control issues that require the attention of the Board or Audit and Risk Committee.

Management periodically monitors and assesses business risks and reports to the Audit and Risk Committee on the identification, reporting, mitigation and management of material business risks.

The Company has internal control processes to ensure that information presented to senior management and the Board is relevant, accurate and timely. The control processes include, among other things:

- annual audit and half year review by the external auditors;
- management review of the financial reports and internal control environment;
- comparative analyses and measurement of business performance and
- monthly review of operational and financial performance compared to budget, forecasts and other expectations.

The Board reviews the adequacy and implementation of the risk management and internal compliance and control systems on an annual basis. There is currently no internal audit function due to the size of the Group. The Board requires and facilitates the continuous evaluation and improvement of the Company's risk management and internal control processes. The qualifications, experience and performance of personnel involved in financial processes and controls are assessed at least annually. As the Group grows, consideration will be given to establishing an internal audit function – either staffed in-house or on contract with an external firm.

For the annual and half-year accounts released publicly, the Board receives assurance from the Group Managing Director (Chief Executive Officer) and the Chief Financial Officer that, in their opinion:

- the financial records of the Group have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;
- the financial statements and notes required by accounting standards for external reporting:
 - give a true and fair view of the financial position and performance of the Company and the consolidated group; and
 - comply with the accounting standards and applicable ASIC Class orders; and
- these representations are based on sound systems of risk management and internal control and that the systems operate effectively in all material respects in relation to financial reporting.

The Board received these assurances in respect of the year ended 30 June 2015.

The Board considers that the Company does not have any material exposure to economic, environmental and social sustainability risks.

Principle 8 – Remunerate fairly and responsibly

Remuneration Policies

The Remuneration Committee annually reviews and makes recommendations to the Board on the remuneration packages and policies applicable to the Group Managing Director and Chief Executive Officer, Senior Executives and Directors themselves. This role includes responsibility for fairness in remuneration, share option, performance and retention incentive schemes, superannuation entitlements, retirement and termination entitlements, fringe benefit policies and professional indemnity and liability insurance policies. Remuneration levels are set to attract and retain appropriately qualified and experienced directors and personnel.

The Company's policies and practices regarding the remuneration of Non-executive Directors and the remuneration of Executive Directors and other Senior Executives are set out in the Remuneration Report, which is a section of the Directors' Report in the Company's Annual Report.

Remuneration Committee

The role of the Remuneration Committee is to assist the Board with the application of its remuneration policies.

During the year to 30 June 2015 and to the date of this statement, the Remuneration Committee comprised Dr John Lewis Schlederer, Chiang Meng Heng and Christopher Elmore Campbell. The Committee is chaired by Dr John Lewis Schlederer.

Details of the members of the Remuneration Committee and their attendance at meetings of the Committee are included in the Directors' Report in the Company's Annual Report.

The structure of the committee is consistent with the Recommendations in that it comprises at least three members and has an independent chair. However, only one of the three members is an independent director.

The Company closed its Performance Incentive Plan in October 2013. The Remuneration Committee is presently engaged in assessing suitable performance based remuneration programs aligned to the Company's short and long term performance objectives. All the Non-executive Directors and Senior Executives are presently on fixed remuneration arrangements.

There is no scheme for retirement benefits for non-executive directors, other than statutory superannuation.

A copy of the Company's Remuneration Committee Charter is on the Company's website (www.academies.edu.au).

This Corporate Governance Statement and information about the Company's corporate governance practices and policies (including 'Charters' referred to in this statement) is available on the Company's website at www.academies.edu.au

**AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ACADEMIES AUSTRALASIA GROUP LIMITED**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2015 there have been:

1. no contraventions of the auditors' independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.



PILOT PARTNERS



MICHAEL TRAYNOR

28 September 2015

Level 10
1 Eagle Street
Brisbane, Queensland 4000

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Note	2015 \$000s	2014 \$000s Restated
Revenue from continuing operations	2	56,755	41,205
Student acquisition and teaching costs	3	(24,167)	(14,653)
Cost of goods sold		-	(1,549)
Gross profit		32,588	25,003
Personnel expenses	3	(17,621)	(11,707)
Premises expenses	3	(7,589)	(5,453)
Other administration expenses	3	(6,127)	(3,687)
		1,251	4,156
Other income	2	715	2,406
Earnings before interest, depreciation and amortisation		1,966	6,562
Depreciation and amortisation expense		(1,519)	(767)
Interest paid		(916)	(305)
Interest received		81	69
Profit before income tax		(388)	5,559
Income tax expense	4	561	(1,264)
Profit for the year		173	4,295
Other comprehensive income:			
Exchange differences on translating foreign controlled entities		35	(25)
Net loss on revaluation of assets		-	(719)
Other comprehensive income for the year, net of tax		35	(744)
Total comprehensive income for the year		208	3,551
Profit attributable to:			
Owners of the parent entity		(3)	4,278
Non-controlling interests		176	17
		173	4,295
Total comprehensive income attributable to:			
Owners of the parent entity		32	3,534
Non-controlling interests		176	17
		208	3,551
Earnings per share (cents per share)			
Basic	7	0.0	7.9
Diluted	7	0.0	7.1
Dividends per share (cents)	8	4.5	5.0

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Note	2015 \$000s	2014 \$000s Restated	2013 \$000s Restated
Current Assets				
Cash and cash equivalents	9	7,078	7,833	4,992
Trade and other receivables	10	8,884	8,798	2,417
Inventories		-	-	3,815
Other current assets	11	4,096	2,412	1,821
Investments	12	3,224	2,618	903
Total Current Assets		23,282	21,661	13,948
Non-Current Assets				
Trade and other receivables	10	4,553	6,225	-
Plant and equipment	14	6,790	6,637	3,759
Deferred tax assets	15	1,820	1,114	1,224
Intangible assets	16	33,097	28,770	10,408
Total Non-Current Assets		46,260	42,746	15,391
Total Assets		69,542	64,407	29,339
Current Liabilities				
Trade and other payables	17	20,354	24,617	10,256
Current tax liabilities	4	-	297	456
Borrowings	18	5,653	1,319	969
Provisions	19	1,750	1,556	752
Total Current Liabilities		27,757	27,789	12,433
Non-Current Liabilities				
Trade and other payables	17	1,300	-	-
Borrowings	18	9,825	2,665	2,402
Provisions	19	5,098	5,740	1,488
Total Non-Current Liabilities		16,223	8,405	3,890
Total Liabilities		43,980	36,194	16,323
Net Assets		25,562	28,213	13,016
Equity				
Share capital	20a	32,533	25,446	18,372
Share capital contracted to be issued	20b	-	7,087	-
Accumulated losses		(7,377)	(4,581)	(6,502)
Asset revaluation reserve		-	-	1,063
Foreign currency translation reserve		93	58	83
Non-controlling interests		313	203	-
Total Equity		25,562	28,213	13,016

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 30 June 2015

	Ordinary Shares	Other Equity	Retained Profits	Reserves	Non - Controlling Interests	Total
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Year ended 30 June 2015						
Balance at 1 July 2014 restated	25,446	7,087	(4,581)	58	203	28,213
Profit for the period	-	-	(3)	-	176	173
Exchange differences on translating foreign operations	-	-	-	35	-	35
Total comprehensive income for the year	-	-	(3)	35	176	208
Shares contracted to be issued (Acquisition of subsidiary)	7,087	(7,087)	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	15	15
Dividend paid	-	-	(2,793)	-	(81)	(2,874)
Balance at 30 June 2015	32,533	-	(7,377)	93	313	25,562
Year ended 30 June 2014						
Balance at 1 July 2013 as previously reported	18,372	-	(4226)	1,146	-	15,292
Restatement (Note 1)	-	-	(2,276)	-	-	(2,276)
Balance at 1 July 2013 restated	18,372	-	(6,502)	1,146	-	13,016
Profit for the period restated	-	-	4,278	-	17	4,295
Exchange differences on translating foreign operations	-	-	-	(25)	-	(25)
Asset revaluation reserve	-	-	344	(1,063)	-	(719)
Total comprehensive income for the year restated	-	-	4,622	(1,088)	17	3,551
Shares contracted to be issued (Acquisition of subsidiary)	-	7,087	-	-	-	7,087
Share issue (PIP)	(484)	-	-	-	-	(484)
Share issue (Placement)	3,808	-	-	-	-	3,808
Acquisition of subsidiaries	3,750	-	-	-	186	3,936
Dividend paid	-	-	(2,701)	-	-	(2,701)
Balance at 30 June 2014 restated	25,446	7,087	(4,581)	58	203	28,213

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30 June 2015

	Note	2015 \$000s	2014 \$000s
Cash Flows from Operating Activities			
Receipts from customers		60,047	44,410
Payments to suppliers and employees		(57,751)	(40,166)
Interest received		190	73
Finance costs		(916)	(305)
Income taxes paid		(932)	(1,097)
Net cash provided by (used in) operating activities	24a	638	2,915
Cash Flows from Investing Activities			
Proceeds from sale of plant & equipment		32	39
Purchase of plant & equipment		(649)	(1,805)
Net cash on acquisition/disposal of subsidiaries		(9,366)	1,701
Net cash provided by (used in) investing activities		(9,983)	(65)
Cash Flows from Financing Activities			
Dividends paid		(2,874)	(2,701)
Proceeds from borrowings		10,476	1,784
Repayment of borrowings		(1,472)	(1,893)
Proceeds from share placement		-	3,808
Non recurring payment (Performance Incentive Plan)		-	(1,007)
Net cash provided by (used in) financing activities		6,130	(9)
Net increase in cash held		(3,215)	2,841
Net cash at the beginning of the financial year		7,833	4,992
Net cash at the end of the financial year	9	4,618	7,833

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The financial report includes the consolidated financial statements of Academies Australasia Group Limited and controlled entities (the Group). Details of the parent entity can be found in Note 28 on page 58.

Academies Australasia Group Limited is a listed public company, incorporated and domiciled in Australia. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards which set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Except for the early-adoption of AASB 15 '*Revenue from Contracts with Customers*', referenced below, no other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been adopted early.

Bases of preparation

Except as noted below in respect of the early-adoption of AASB 15, the accounting policies set out below have been consistently applied to all years presented.

The financial report has been prepared on the accruals basis and is based on historical costs, modified by the revaluation of certain non-current assets, financial assets and financial liabilities, for which the fair value basis of accounting has been applied. The financial report is presented in Australian Dollars and rounded to the nearest thousand dollars in accordance with Class Order 98/100.

Early-adoption of AASB 15 '*Revenue from Contracts with Customers*' and re-statement of comparative amounts

With effect from 1 July 2014, the consolidated entity has early-adopted the new Accounting Standard AASB 15 '*Revenue from Contracts with Customers*'. This Standard applies to annual reporting periods beginning on or after 1 January 2017 and it may be applied to annual reporting periods beginning on or after 1 January 2005.

The consolidated entity, in adopting the new AASB 15, changed its basis for recognising income in accordance with that standard. The change follows analysis of the Group's contracts with its customers, the rights and obligations emanating from those contracts and the possible risks associated with receiving payments for revenue generating contractual services provided by the Group. In making its assessments, the Group formed its opinion for the appropriate accounting based on its business judgement and careful consideration of the customer contract.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Each contract was broken down into performance obligations and revenue to be recognised as those performance obligations are completed.

Revenue is recognised over the period of tuition, upon completion of specific performance obligations of each of the contracts. No revenue is recognised prior to a student commencing the tuition phase of delivery. As all student contracts are for the provision of tuition, income for tuition is recognised as training is provided. Payment terms vary from contract to contract but in most cases cash is received prior to the performance obligation being delivered. Foreign students in particular are required to pay some level of tuition in advance. Monies received in advance are held as unearned income and recognised as revenue as the performance obligations are satisfied. The Group's obligations in respect of refunds cease after the course commences. Some refunds are issued after commencement in hardship cases.

The adoption of the requirements of AASB 15 provides more relevant information concerning the delivery of services and the transfer of risks in providing the services.

In early-adopting the new Standard the Group re-stated the Statement of Comprehensive Income for the year ended 30 June 2014 as well as the Statement of Financial Position as at 30 June 2014.

The effects of early-adopting the new Standard were as follows:

	2015 \$000s	2014 \$000s
Statements of comprehensive income:		
Decrease in revenue (unearned fee income)	(1,018)	(2,104)
Decrease in costs of services (recruitment costs deferred)	237	589
Decrease in income tax expense	220	410
Decrease in total comprehensive income	(561)	(1,105)
Decrease in profit attributable to non-controlling interests	(14)	(119)
Decrease in profit attributable to members of the parent entity	(547)	(986)
Statements of financial position:		
Increase in prepayments (recruitment costs deferred)	1,253	1,185
Increase in deferred tax assets	1,419	1,114
Increase in payables, current (unearned fee income)	6,614	5,765
Decrease in deferred tax liability	-	(85)
Decrease in net assets	(3,942)	(3,381)
Decrease in retained profits at the beginning of the financial period	(3,262)	(2,276)
Decrease in net profit after tax and minority interests for the financial period	(547)	(986)
Decrease in non-controlling interests	(133)	(119)
Decrease in total equity	(3,942)	(3,381)

Early-adopting the new Standard had no effect upon the Cash Flow Statements.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Policies

a. Basis of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Academies Australasia Group Limited) and all its subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, 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. A list of the subsidiaries is provided in Note 13 on page 44.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

b. Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination is accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of one month or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

d. Trade and other receivables

Trade and other receivables include amounts due from customers for services performed and goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 10 on page 42 for further information on the determination of impairment losses.

e. Financial instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

i. Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ii. *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

iii. *Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

iv. *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Derivative instruments

The Group has no derivative instruments at reporting date.

Fair value

The only financial asset or liability carried at fair value is investments. Fair value is determined by a number of market and observable factors, including quoted prices, market activity levels, the financial position and performance of the investment and the relative size of the Group's shareholding. They are categorised as a Level 1 in the fair value hierarchy of the Accounting Standards (market inputs are used to determine fair value).

Financial guarantees

Where material, financial guarantees are issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 15: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 15.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest borrowing costs

Interest payable costs are recognised as expenses in the period in which they are incurred.

f. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the Group, are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Operating lease rental payments are recognised on a straight line basis over the lease term and contingent rental payments are recognised in the period when incurred.

Assets receivable under lease incentives are recognised when the Group has a contractual right to them and they can be reliably estimated. Where applicable, specific categories of assets received under such arrangements are recognised in the appropriate asset heading and accounted for in accordance with the Group's applicable accounting policy for that asset.

Lease incentives under operating leases are recognised as a liability and amortised as a reduction in rent on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which the economic benefits from the leased asset are consumed.

g. Plant and equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

h. Depreciation

The depreciable amount of all fixed assets including capitalised lease assets is depreciated on a straight-line or a diminishing value basis over their useful lives to the Group 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.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	12.5 – 22.5%
Plant and equipment	5 – 40%
Leased plant and equipment	5 – 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

i. Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- the consideration transferred
- any non-controlling interest; and
- the acquisition date fair value of any previously held equity interest

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest.

The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (*full goodwill method*) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (*proportionate interest method*). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes of these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j. Intangible assets

Intangible assets include course development costs and other intangible assets.

Course development costs are capitalised where they can be related to the development of an identifiable and separable resource and which yields particular streams of future economic benefits. They are only capitalised when technical feasibility studies identify that the project is expected to deliver future economic benefits and these benefits can be measured reliably. These capitalised costs are amortised over their useful lives starting from the time the development of a particular resource is complete and available for use.

k. Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Collectibility of trade debtors is reviewed on an ongoing basis. Debts are written off when they are known to be uncollectible. A provision for doubtful debts is raised where some doubt as to collection exists and is the difference between the total amount owing and the amount expected to be recovered.

l. Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. Provisions and employee benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Issued capital

Ordinary shares are classified as equity, and are recognised at the fair value of the consideration received by the company. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

o. Revenue

Revenue derived from the provision of education services is measured at the fair value of consideration received or receivable to the extent that economic benefits will flow to the Group and the revenue can be reliably measured. A number of criteria must be met before revenue is recognised. No revenue is recognised prior to a student commencing the tuition phase of delivery. Revenue is recognised over the duration of each agreement to provide education services.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Rental revenue is recognised on a straight line accrual basis over the term of the lease.

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

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 Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

q. Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation 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.

Academies Australasia Group Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2003.

The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

r. Foreign currency transactions and balances

Foreign currency transactions are translated into Australian currency (the functional currency) using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Foreign Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at the end of the financial year;
- income and expenses are translated at average rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income.

s. Earnings per share

Basic earnings per share are calculated as net profit attributable to members of the parent divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the parent, divided by the weighted average number of shares both issued and contracted to be issued.

t. Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

u. Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. These changed estimates and judgements are considered significant items of revenue and expenses relevant in explaining the financial performance.

Key Estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Further details on the key estimates used in impairment can be found in Note 16 on page 48. No impairment has been recognised in respect of goodwill for the year ended 30 June 2015.

Key Estimates – Revenue

The extent to which performance obligations have been satisfied in respect of student revenue is estimated as per the revenue policy (Note 1 (o) on page 36).

v. Segment reporting

An operating segment is a component of an entity

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)
- whose operating results are regularly reviewed by the entity's Board to make decisions about resources to be allocated to the segment and assess its performance
- for which discrete financial information is available

The Company has only one operating segment, Education.

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

	2015 \$000s	2014 \$000s Restated
2. REVENUE		
Operating activities		
- Services revenue	56,755	37,990
- Sale of goods	-	3,215
	<u>56,755</u>	<u>41,205</u>
Non-operating activities		
- Rent received	109	297
- Revaluation of investment (Note 12)	606	2,109
	<u>715</u>	<u>2,406</u>
Interest received	<u>81</u>	<u>69</u>
Total Revenue	<u>57,551</u>	<u>43,680</u>
3. PROFIT FOR THE YEAR		
Student acquisition and teaching costs		
- Teaching costs	15,699	8,066
- Agency commission	7,423	5,978
- Teaching materials	1,045	609
	<u>24,167</u>	<u>14,653</u>
Personnel costs		
- Wages and Salaries	14,199	9,219
- Superannuation	1,379	814
- Payroll Tax	857	574
- Other	750	756
- Restructuring costs	436	-
- Performance Incentive Plan	-	344
	<u>17,621</u>	<u>11,707</u>
Premises		
- Rental	6,042	4,794
- Electricity	305	296
- Cleaning	383	255
- Other	357	108
- Expansion	502	-
	<u>7,589</u>	<u>5,453</u>
Other administration expenses		
- Other administration expenses	5,437	3,687
- Bad debts	308	-
- Restructuring	232	-
- Acquisition (of subsidiaries) costs	150	-
	<u>6,127</u>	<u>3,687</u>

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

	Note	2015 \$000s	2014 \$000s Restated
4. INCOME TAX EXPENSES			
a. The components of tax expense comprise:			
Current tax		(116)	(921)
Deferred tax		677	(343)
		<u>561</u>	<u>(1,264)</u>
b. The prima facie tax on profit from ordinary activities before tax is reconciled to income tax as follows:			
Tax payable on (loss)/profit from ordinary activities before tax at 30%		(116)	1,668
Add/(less):			
Tax effect of:			
Permanent differences		(104)	(244)
Assumption of tax balances of controlled entities		(341)	(160)
Income tax expense attributable to the entity		<u>(561)</u>	<u>1,264</u>
c. Current tax payable for the year reconciles as follows:			
Opening provision		297	456
Add: Current year provision		215	929
Less: Over provision previous year		(99)	(8)
Add: Tax balance subsidiary acquired		120	17
Less: Tax paid		(932)	(1,097)
Closing provision	11	<u>(399)</u>	<u>297</u>

5. EXECUTIVE DIRECTORS AND OTHER SENIOR EXECUTIVES COMPENSATION

- a. Details of Executive Directors and other Senior Executives has been set out in Information on Directors and in Information on Senior Executives on pages 8 to 11.
- b. Remuneration for Senior Executives has been included in the Remuneration Report section of the Directors' Report.
- c. **Shareholdings**

Number of shares in the Company held by Executive Directors, Senior Executives and parties related to them

	Balance 1 July 2014	Purchased (i)	Other (ii)	Balance 30 June 2015
	000s	000s	000s	000s
Christopher Elmore Campbell	7,417	361		7,778
Gabriela Rodriguez Naranjo	15	10	-	25
Gary Cobbledick	-	-	4,933	4,933

(i) Shares purchased on market via the Australian Securities Exchange.

(ii) Shares received in partial payment upon acquisition by the Company of Spectra Training

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

	2015 \$000s	2014 \$000s
6. AUDITORS' REMUNERATION		
Remuneration of the auditors of the parent entity for:		
- Auditing and reviewing the financial report	193	186
- Taxation services	72	73
- Taxation services – under provision prior year	34	-
- Due diligence and other services	33	217
	332	476

Remuneration of other auditors of subsidiaries for:		
- Auditing and reviewing the financial report	35	15
- Taxation services	8	4
- Other services	9	-
	52	19

	2015	2014 Restated
7. EARNINGS PER SHARE		
Basic (cents per share)	0.0	7.9
Diluted (cents per share)	0.0	7.1
Weighted average number of ordinary shares used in calculation of basic earnings per share	61,538,998	54,401,130

- a. The earnings amount used was (\$3,000) (2014: \$4,279,000), being profit on ordinary activities after tax attributable to owners of the parent entity.

	2015 \$000s	2014 \$000s
8. DIVIDENDS		
Distributions recognised		
Year ended 30 June 2015 interim ordinary dividend of 1.5 cents per share, fully franked, (2014: 2.5 cents fully franked)	931	1,404
Year ended 30 June 2014 final ordinary dividend of 3.0 cents per share, fully franked, paid in 2015 (2013 2.5 cents fully franked paid in 2014)	1,862	1,319
Interim fully franked ordinary dividend of 2.5 cents per share 2013 returned	-	(22)
	2,793	2,701
a. Dividends proposed or declared but not recognised in the financial statements:		
Proposed ordinary dividend of 0 cents per share (2014: 3.0 cents, fully franked)	-	1,862
b. Balance of franking account at year end adjusted for franking credits arising from payment of income tax	2,891	3,646

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

	2015 \$000s	2014 \$000s
9. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	7,078	7,833

The balance on the overdraft account is \$2,460,000 (2014: \$nil) (note 18). The net cash position is \$4,618,000 (2014: \$7,833,000)

Included in the above amounts are tuition fees held in Tuition Protection Scheme (TPS) accounts in Australia.

In 2012 the Education Services for Overseas Student Act 2000 ("ESOS Act") was amended to provide additional protection for international students studying in Australia. With effect from 1 July 2013, the Group is required to maintain, in Australia, separate bank accounts (TPS accounts) for prepaid fees received from international students prior to commencement of their course. Once the students commence their course, the funds may be transferred from the TPS accounts to operating cash reserves. At all times, the Group must ensure that there are sufficient funds in the TPS accounts to repay any prepaid tuition fees to international students who have not yet commenced their course. Fees paid by students who have commenced their course are deposited directly to operating cash reserves. All fees received, whether deposited to TPS or Group cash reserves are initially accounted for as unearned income, being subject to the Group's revenue recognition policy.

As at 30 June 2015, the Group held \$5,283,000 (2014: \$5,100,000) in TPS accounts.

	2015 \$000s	2014 \$000s
10. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	4,987	3,157
Receivable from the sale of Premier Fasteners	937	937
Lease incentives	304	304
Other receivables	2,656	4,400
	8,884	8,798
NON-CURRENT		
Receivable from the sale of Premier Fasteners	1,876	2,813
Lease incentives	2,677	3,412
	4,553	6,225
TOTAL		
Trade receivables	4,987	3,157
Receivable from the sale of Premier Fasteners	2,813	3,750
Lease incentives	2,981	3,716
Other receivables	2,656	4,400
	13,437	15,023

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

	2015 \$000s	2014 \$000s
10. TRADE AND OTHER RECEIVABLES (continued)		
a. The ageing analysis of trade receivables is as follows:		
0 -30 days	2,417	1,708
31- 60 days – not impaired *	609	327
61- 90 days – not impaired *	440	214
Over 90 days – not impaired *	1,521	908
	4,987	3,157

- * These are debtors that are past due for which no collateral is held and for which no provision for doubtful debts has been made as there has not been a significant change in credit quality and the directors believe that the amounts are still recoverable.
- b. The Group has an exposure to credit risk in Singapore and Australia given the Group's operations in those countries. An amount of \$41,000 has been included in trade and other receivables in respect of the business operations in Singapore. All other receivables of the Group are exposures in Australia.
- c. The receivable from the sale of Premier Fasteners is over 4 years in accordance with the terms of the contract for the sale.

	2015 \$000s	2014 \$000s Restated
11. OTHER ASSETS		
CURRENT		
Prepayments and accrued income	3,225	2,247
Security deposits	472	165
Current tax asset	399	-
	4,096	2,412

	2015 \$000s	2014 \$000s
12. INVESTMENTS		
CURRENT		
Shares in Listed Corporations	3,224	2,618
	3,224	2,618

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For the year ended 30 June 2015

13. CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned/Controlled (%)	
		2015	2014
Academies Australasia Group Limited (Ultimate Parent Entity)			
Subsidiaries (controlled directly or indirectly)			
ACA Investment Holdings Pte. Limited	Singapore	100	100
Academies Australasia (Management) Pty Limited	Australia	100	100
Academies Australasia College Pte. Limited	Singapore	100	100
Academies Australasia Institute Pty Limited	Australia	100	100
Academies Australasia Polytechnic Pty Limited	Australia	100	100
Academies Australasia Pty Limited	Australia	100	100
Academy of English Pty Limited	Australia	100	100
AKG Investment Holdings Pty Limited	Australia	100	100
AKG2 Investment Holdings Pty Limited	Australia	100	100
AKG3 Investment Holdings Pty Limited	Australia	100	100
AKG4 Investment Holdings Pty Limited	Australia	100	100
AKG5 Investment Holdings Pty Limited (Incorporated 10 July 2014)	Australia	100	-
AKG6 Investment Holdings Pty Limited (Incorporated 8 August 2014)	Australia	100	-
AKG7 Investment Holdings Pty Limited (Incorporated 5 November 2014)	Australia	100	-
AMI Education Pty Limited	Australia	100	100
Australian College of Technology Pty Limited	Australia	100	100
Australian Institute of Professional Studies Pty Limited	Australia	100	100
Australian International High School Pty Limited	Australia	100	100
Australian Trades Institute Pty Limited	Australia	100	100
Benchmark Resources Pty Limited T/A Benchmark College	Australia	100	100
Centre for Australian Education Pte. Limited	Singapore	100	100
Clarendon Business College Pty Limited	Australia	100	100
DFL Education (Qld) Pty Limited T/A Brisbane School of Hairdressing, Gold Coast School of Hairdressing and Brisbane School of Beauty	Australia	100	100
Discover English Pty Limited	Australia	100	100
International College of Capoeira Pty Limited T/A College of Sports & Fitness	Australia	51	51
Humanagement Pty Limited T/A Print Training Australia (Acquired 1 July 2014)	Australia	100	-
Kreate Pty Limited T/A RuralBiz Training	Australia	51	51
Language Links International (Acquired 16 August 2014)	Australia	75	-
Live. Laugh. Learn. Pty Limited	Australia	100	100
Newco CLB Training & Development Pty Limited as trustee for the CLB Unit Trust T/A Spectra Training	Australia	100	100
Skilled Placements Pty Limited	Australia	100	100
Supreme Business College Pty Limited	Australia	100	100
Transformations – Pathways to Competence and Developing Excellence Pty Limited T/A Skills Training Australia (Acquired 20 November 2014)	Australia	100	-
Vostro Institute of Training Australia Pty Limited	Australia	100	100

Percentage of voting power is in proportion to ownership/control

ACADEMIES AUSTRALASIA GROUP LIMITED
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For the year ended 30 June 2015

13. CONTROLLED ENTITIES (continued)

Acquisition of controlled entities

On 16 August 2014 the Group acquired 75% of the issued share capital of Language Links International Pty Limited (LLI), an English Language college, located in Perth, for a purchase consideration of \$289,257 satisfied in cash.

On 20 November 2014 the Group acquired 100% of the issued share capital of Transformations – Pathways to Competence and Developing Excellence Pty Limited T/A Skills Training Australia (STA), a registered training organisation, located in Melbourne, that specialises in the delivery of high quality training programs in Nursing, Disability Services, Community Services, Health and Aged Care, for a purchase consideration payable in cash in three tranches. The first tranche payment of \$1,250,000 was settled on 20 November 2014. The second tranche payment of \$2,402,000, based on 1.5 times EBIT for the 2015 financial year, was paid on 31 August 2015 and the third tranche, based on 1 times EBIT for the 2016 financial year is due by 30 August 2016.

The consolidated revenue and profit of the Group if the acquisitions had taken place on 1 July 2014 has not been disclosed. This is because it is impracticable to determine what the results of these acquisitions might have been prior to the actual date of acquisition in accordance with the accounting policies of the Group using available accounting information.

	LLI	STA
	Fair Value	Fair Value
	\$'000s	\$'000s
	75%	100%
Purchase consideration		
- Cash	289	1,250
- Cash payable to vendors	-	3,800
	289	5,050
Less:		
Cash	94	75
Receivables	-	817
Property, plant and equipment	127	157
Payables	(21)	(407)
	200	642
Identifiable assets acquired and liabilities assumed	200	642
Group share	150	642
	139	4,408
Goodwill	139	4,408
Purchase consideration settled in cash	289	5,050
Cash inflow on acquisition	94	75

It is impracticable to disclose the profit of these acquisitions since acquisition and include them in the consolidated statement of comprehensive income. This is because they form part of the Group's education operation which is managed as a unit. Some costs can be determined only from a Group perspective and cannot be allocated specifically to them. Consequently, it is not possible to determine separate results for these acquisitions.

ACADEMIES AUSTRALASIA GROUP LIMITED
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	2015 \$000s	2014 \$000s
14. PLANT AND EQUIPMENT		
Plant and equipment		
At cost	5,307	5,043
Accumulated depreciation	(3,053)	(2,737)
	2,254	2,306
Leasehold improvements		
At cost	6,695	5,762
Accumulated amortisation	(2,285)	(1,646)
	4,410	4,116
Leased plant and equipment		
Capitalised leased assets	215	215
Accumulated depreciation	(89)	-
	126	215
Total plant & equipment	6,790	6,637

	Plant and equipment \$000s	Leasehold improvements \$000s	Leased plant and equipment \$000s	Total \$000s
Year ended 30 June 2015				
Balance at the beginning of the year	2,306	4,116	215	6,637
Additions	516	516	-	1,032
Acquisitions	100	184	-	284
Transfers	(82)	82	-	-
Disposals	(130)	-	-	(130)
Depreciation expense	(465)	(492)	(89)	(1,046)
Net foreign currency difference arising on translation of financial statements of foreign operations	9	4	-	13
Carrying amount at the end of the year	2,254	4,410	126	6,790

Year ended 30 June 2014

Balance at the beginning of the year	2,701	1,034	24	3,759
Revaluation	(719)	-	-	(719)
Additions	957	2,953	215	4,125
Acquisitions	844	736	-	1,580
Disposals	(1,110)	(205)	(24)	(1,339)
Depreciation expense	(365)	(402)	-	(767)
Net foreign currency difference arising on translation of financial statements of foreign operations	(2)	-	-	(2)
Carrying amount at the end of the year	2,306	4,116	215	6,637

ACADEMIES AUSTRALASIA GROUP LIMITED
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For the year ended 30 June 2015

15. DEFERRED TAX ASSETS / LIABILITIES

	2015 \$000s	2014 \$000s Restated
Future income tax benefit (liability)	1,820	1,114

The future income tax benefits is made up of the following estimated tax benefits:

Temporary differences:

-deferred tax assets

-deferred tax liabilities

Tax losses:

-operating losses

	3,261	2,459
	(1,592)	(1,486)
	151	141
	1,820	1,114

	Opening Balance \$000s	Charged To Income \$000s	Acquired \$000s	Closing Balance \$000s
Deferred Tax Assets				
Provisions	409	184	34	627
Unearned income	1,978	357	-	2,335
Other	72	227	-	299
	2,459	768	34	3,261
Deferred Tax Liabilities				
Plant & equipment	(271)	1	-	(270)
Investments	(686)	(182)	-	(868)
Prepayments and other	(529)	80	(5)	(454)
	(1,486)	(101)	(5)	(1,592)
Losses	141	10	-	151
Total	1,114	677	29	1,820

	2015 \$000s	2014 \$000s
Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(q) occur:		
Tax losses:		
-operating losses	524	407

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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	2015 \$000s	2014 \$000s
16. INTANGIBLE ASSETS		
Goodwill at cost	32,663	27,814
Accumulated impairment losses	(382)	(382)
Net carrying value	32,281	27,432
Course development costs	1,590	1,540
Accumulated amortisation	(843)	(352)
Net carrying value	747	1,188
Other at cost	69	150
	33,097	28,770

	Goodwill \$000s	Course Development Costs \$000s	Other \$000s	Total \$000s
Year ended 30 June 2015				
Balance at the beginning of the year	27,432	1,188	150	28,770
Acquisition of Vostro Institute of Training	90	-	(5)	85
Acquisition of RuralBiz Training	36	-	-	36
Acquisition of Spectra Training	167	(22)	(69)	76
Acquisition of Language Links International	139	-	-	139
Acquisition Skills Training Australia	4,408	-	-	4,408
Foreign exchange Academies Australasia College	9	-	-	9
Rebranding costs amortisation	-	-	(7)	(7)
Course development costs acquisition	-	54	-	53
Course development costs amortisation	-	(473)	-	(473)
Balance at the end of the year	32,281	747	69	33,097

Year ended 30 June 2014				
Balance at the beginning of the year	10,345	-	63	10,408
Sale of Premier Fasteners	(1,892)	-	-	(1,892)
Acquisition of DFL Education (QLD)	4,157	-	13	4,170
Acquisition of Vostro Institute of Training	2,235	-	11	2,246
Acquisition of College of Sport & Fitness	401	-	-	401
Acquisition of RuralBiz Training	131	-	-	131
Acquisition of Spectra Training	12,055	1,188	71	13,314
Rebranding costs amortisation	-	-	(8)	(8)
Balance at the end of the year	27,432	1,188	150	28,770

ACADEMIES AUSTRALASIA GROUP LIMITED
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For the year ended 30 June 2015

16. INTANGIBLE ASSETS (continued)

The recoverable amount of each cash generating unit is determined based on value in use calculations based upon 5 year forecasting. The model includes a sensitivity analysis allowing for a range of growth rates.

The following assumptions were used in the value in use calculations:

	Growth rate	Discount rate	Terminal Multiple
Education segment	5%	10%	2.5

The growth rate is a long-term average growth rate.

The discount rate used reflects entity and market specific factors

To generate impairment, the discount rate would need to be in excess of 20% or growth rates would need to be negative.

	2015 \$000s	2014 \$000s Restated
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17. TRADE AND OTHER PAYABLES

CURRENT

Unsecured Liabilities

Trade payables	1,872	1,476
Tuition fees in advance	11,939	9,875
Sundry payables and accrued expenses	4,043	4,603
	17,854	15,954
Payable to the vendors of STA	2,500	-
Payable to the vendors of Spectra Training	-	8,663
	20,354	24,617

NON-CURRENT

Unsecured Liabilities

Payable to the vendors of STA	1,300	-
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TOTAL

Trade payables	1,872	1,476
Tuition fees in advance	11,939	9,875
Sundry payables and accrued expenses	4,043	4,603
Payable to the vendors of STA	3,800	-
Payable to the vendors of Spectra Training	-	8,663
	21,654	24,617

	2015 \$000s	2014 \$000s
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18. BORROWINGS

CURRENT

Secured Liabilities – Interest Bearing

Bank bills	18a	3,087	1,238
Overdraft	18a	2,460	-
Lease purchase agreements	18a	106	81
		5,653	1,319

NON-CURRENT

Secured Liabilities – Interest Bearing

Bank bills	18a	9,737	2,503
Lease purchase agreements	18a	88	162
		9,825	2,665

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	Note	2015 \$000s	2014 \$000s
18. BORROWINGS (continued)			
a. Total current and non-current secured liabilities:			
Bank bills	27	12,824	3,741
Overdraft	27	2,460	-
Lease purchase agreements	21, 27	194	243
		15,478	3,984

b. The carrying amounts of non-current assets pledged as security are:

Floating charge over assets	41,182	40,261
Plant and equipment	125	215
	41,307	40,476

c. The bank bills are secured by a floating charge over the assets of the parent entity and its wholly owned subsidiaries (other than those in Note 21).

d. The lease purchase borrowings are additionally secured on the leased asset. The leases are due for repayment in 2017.

	2015 \$000s	2014 \$000s
19. PROVISIONS		
CURRENT		
Employee entitlements	1,191	964
Lease incentives	559	592
	1,750	1,556
NON-CURRENT		
Employee entitlements	914	807
Lease incentives	4,184	4,933
	5,098	5,740
TOTAL		
Employee entitlements	2,105	1,771
Lease incentives	4,743	5,525
	6,848	7,296

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20. SHARE CAPITAL

	2015 Share number	2015 \$000s	2014 Share number	2014 \$000s
a. Issued Share Capital				
Ordinary shares fully paid	62,063,484	\$32,533	56,157,234	\$25,446
Ordinary share capital				
Balance at the beginning of the financial year	56,157,234	\$25,446	48,254,297	\$18,372
Placement of ordinary shares on 2 August 2013	-	-	5,340,000	\$3,808
Ordinary shares issued on 1 December 2013 on acquisition of DFL Education (QLD)	-	-	3,409,091	\$3,750
Ordinary shares issued on 9 November 2012 (PIP) and cancelled in September 2013	-	-	(846,154)	\$(484)
Ordinary shares issued on 23 July 2014 on acquisition of Spectra Training – 1 st tranche	4,406,250	\$5,287	-	-
Ordinary shares issued on 1 October 2014 on acquisition of Spectra Training – 2 nd tranche	1,580,000	\$1,500	-	-
Balance at the end of the financial year	62,063,484	\$32,533	56,157,234	\$25,446
b. Shares contracted to be issued				
Ordinary shares fully paid to be issued on acquisition of 100% of Spectra Training	-	-	5,906,250	\$7,087

i. Shares disclosure.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At a shareholders meeting each ordinary share is entitled to one vote when a poll is called. Otherwise, each shareholder has one vote on a show of hands.

The number of shares authorised is equal to the number of shares issued. Shares have no par value.

ii. Capital Management.

Management controls the capital of the Group in order to maintain an acceptable debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

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

There were no changes in the Group's capital management procedures during the year.

ACADEMIES AUSTRALASIA GROUP LIMITED
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	Note	2015 \$000s	2014 \$000s
21. LEASING COMMITMENTS			
Lease purchase commitments			
Payable – minimum lease payments			
Not later than one year		99	93
Later than one year but not later than five years		109	172
Minimum lease payments		208	265
Less future finance charges		(14)	(22)
Present value of minimum lease payments	17a	194	243

At the end of the lease periods the lessor's charges over the plant and equipment cease, leaving the assets the unencumbered property of the Group.

Operating Lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	2015 \$000s	2014 \$000s
Not later than one year	6,417	5,511
Later than one year but not later than five years	13,463	13,508
Later than five years	15,809	17,690
	35,689	36,710

The Group leases property under operating leases expiring from 1 year to 15 years. Lease payments comprise a base amount plus an incremental rental, based on either movement in the Consumer Price Index or minimum percentage increase criteria. During the year, the Group acquired a number of new leases. Lease incentives have been recognised in accordance with the Group's accounting policies.

22. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

Guarantees

There is a corporate guarantee between wholly owned Group companies as security for bank facilities. This guarantee does not include:

Academies Australasia College Pte. Limited
Centre for Australian Education Pte. Limited
DFL Education (Qld) Pty Limited
Kreate Pty Limited
Language Links International Pty Limited
Humanagement Pty Limited

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For the year ended 30 June 2015

23. SEGMENT REPORTING

	FASTENERS		EDUCATION		CONSOLIDATED	
	2015	2014	2015	2014	2015	2014
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
				Restated		Restated
Primary reporting – Business segments						
Revenue						
External sales	-	3,215	56,755	37,990	56,755	41,205
Other revenue	-	-	796	2,475	796	2,475
	-	3,215	57,551	40,465	57,551	43,680
Segment result	-	359	(388)	6,469	(388)	6,828
Unallocated expenses net of unallocated revenue					-	(1,269)
Profit from ordinary activities before income tax					(388)	5,559
Segment assets	-	-	69,542	60,325	69,542	60,325
Unallocated					-	4,082
Total assets					69,542	64,407
Segment liabilities	-	-	43,980	35,276	43,980	35,276
Unallocated					-	918
Total liabilities					43,980	36,194
Acquisition of non-current segment assets	-	46	1,032	4,079	1,032	4,125
Depreciation and amortisation of segment assets	-	55	1,519	595	1,519	650

Business segments

Major products/services of business segments:

Education	Provision of training and education services
Fasteners	Manufacture, import and sale of fasteners (to 1 December 2013)

Following the sale of Premier Fasteners Pty Limited on 1 December 2013, the Group's operations became exclusively the provision of training and education services. The Company has determined that it has only one operating segment, education.

Geographical information

The Group operates in Australia and Singapore. The revenues and non-current assets of the Group for the year ended 30 June 2015 are as follows:

Geographic Location	\$000s	A\$000s
Revenues from External Customers	Australia 51,520	Singapore 6,031
Non-current assets	46,078	182

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments.

Segment assets and liabilities include all assets used in and all liabilities generated by the segments. Deferred tax assets and liabilities are not allocated to segments.

ACADEMIES AUSTRALASIA GROUP LIMITED
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	2015	2014
	\$000s	\$000s
		Restated

24. CASH FLOW INFORMATION

a. Reconciliation of cash flow from operations with profit after income tax

Profit after income tax	173	4,295
Non-cash flows in profit (loss)		
Amortisation	965	402
Depreciation	554	365
Net (profit)/loss on disposal of plant and equipment	(4)	(9)
Write-downs to recoverable amounts	308	(104)
Unrealised gain on investments	(606)	(2,109)
Unrealised foreign exchange movement	12	(22)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	611	(1,432)
(Increase)/decrease in inventories	-	112
(Increase)/decrease in other current assets	(1,057)	(357)
(Increase)/decrease in investments	-	(27)
(Increase)/decrease in intangibles	27	(71)
(Increase)/decrease in deferred tax assets	(677)	344
Increase/(decrease) in trade and other payables	1,689	1,925
Increase/(decrease) in tax payables	(816)	(176)
Increase/(decrease) in loans	-	5
Increase/(decrease) in provisions	(541)	(226)
Cash flow from operations	638	2,915

	2015	2014
	\$000s	\$000s

b. Borrowing arrangements with banks

Total Facilities

Cash advance facilities available	14,472	15,315
Amount utilised	(12,824)	(3,741)
	1,648	11,574
Overdraft facility available	2,500	-
Amount utilised	(2,460)	-
	40	-

The major facilities are summarised as follows:

Bank overdrafts

Bank overdraft facilities are arranged with the general terms and conditions being set and agreed annually. Interest rates are variable and subject to adjustment.

Cash Advance Facilities

\$5,472,000 of the facilities expire on 30 June 2016 and \$9,000,000 of the facilities expire on 14 June 2019.

ACADEMIES AUSTRALASIA GROUP LIMITED
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25. EVENTS AFTER THE BALANCE SHEET DATE

Rights Issue and Directors' Loans to the Company

In August 2015, the Board resolved that the Company makes a Rights Issue to shareholders to raise \$4,000,000 in cash.

At that time, the Directors, together, had an interest in 65.98% of the total of 62,063,484 shares in the Company. Each of the Directors having an interest in the shares of the Company committed to subscribe for their share of the Rights Issue, meaning that \$2,639,200 was committed. These same Directors extended loans to the Company to the total of \$2,639,200 on the basis that these loans will be converted to their respective shares of the Rights Issue, when subscriptions for the Rights Issue open. The Directors' commitments to the Rights Issue (equal to the loan amounts) are as follows:

Directors' with interests in shares	Shares	Percentage of Total	Pro Rata share of \$4,000,000 Rights Issue	Loan to Company
Dr John Lewis Schlederer	1,450,000	2.34%	\$93,600	\$93,600
Chiang Meng Heng	25,291,886	40.75%	\$1,630,000	\$1,630,000
Christopher Elmore Campbell	7,777,777	12.53%	\$501,200	\$501,200
Gabriela del Carmen Rodriguez Naranjo	25,000	0.04%	\$1,600	\$1,600
Gary William Cobbledick	926,645	1.49%	\$59,600	\$59,600
Raphael Geminder ^a	1,473,209	2.37%	\$94,800	\$94,800
Gary William Cobbledick and Raphael Geminder ^a	4,006,396	6.46%	\$258,400	\$258,400
	40,950,913	65.98%	\$2,639,200	\$2,639,200

^a Mr Geminder resigned as a director on 24 September 2015.

Mr Bill Say Mui Foo does not hold, directly or indirectly, any shares in the Company.

Each of the Directors' loans was made to the Company on or before 25 August 2015. These loans bear interest at the rate that the ANZ Bank charges the Company for its overdraft facility, and the loans are subordinated to the ANZ Bank's debt facilities.

The purpose of the loans, to be repaid from the capital raising of \$4,000,000, was primarily to meet the second tranche payment for the acquisition of STA, amounting to \$2,402,000, which was made on 31 August 2015. As announced on 20 November 2014, the second tranche payment to the vendor of STA is computed at 1.5 times Earnings before Interest and Tax for the year ended 30 June 2015. The funds of \$2,639,200 loaned by Directors were applied to meet this payment. Surplus funds were taken to working capital.

The Rights Issue will be a 3 for 14 Renounceable Issue. The shares will be offered at 30 cents each, which reflects a discount of 12.1% on the volume-weighted average trade price (VWAP) of 34.1 cents for the period 1 September to 25 September 2015. The Issue will be underwritten.

Apart from the matters mentioned above, there were no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

ACADEMIES AUSTRALASIA GROUP LIMITED
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26. RELATED PARTY TRANSACTIONS

Directors' transactions with the Company and the Group

Details of Directors' remuneration are set out in the Remuneration Report on page 12. Directors are reimbursed for expenses incurred by them on behalf of the Group.

Directors' and specified executives' relevant interests in shares

Details of Directors' relevant interests in shares are set out in the Directors' Report on pages 8 and 9.

Other related party transactions

Transactions between the Company and controlled entities comprise loans, management fees and interest and are eliminated on consolidation.

27. FINANCIAL INSTRUMENTS

a. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The main purpose of non-derivative financial instruments is to raise finance for operations.

i. Treasury Risk Management

Senior management meets on a regular basis to review currency and interest rate exposure and to evaluate treasury management strategies where relevant, in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk.

Interest rate risk

The interest rate risk has been managed by the Group by reducing and in most cases eliminating interest bearing debt. Stand by facilities has been set with a combination of fixed and floating rate possibilities. There is no set policy as to the mix of interest rate exposures.

Foreign currency risk

The Group is exposed to foreign currency risk on its purchase of products and the sale of training and education courses to international students and on the translation of its foreign subsidiaries. The Group had not hedged foreign currency transactions as at 30 June 2015. Senior management continues to evaluate this risk on an ongoing basis.

ACADEMIES AUSTRALASIA GROUP LIMITED
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27. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk is managed by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained, where possible.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. In the education business, credit risk is minimised by, generally, collecting tuition fees in advance

b. Financial Instruments

i. Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Note	Weighted average interest rate	Floating interest rate \$000s	Fixed interest maturing in: 1 year or less \$000s	1 to 5 years \$000s	Non- Interest bearing \$000s	Total \$000s
Year ended 30 June 2015							
<i>Financial assets</i>							
Cash and cash equivalents	9	1.18%	7,078	-	-	-	7,078
Trade and other receivables	10		-	-	-	13,437	13,437
			7,078	-	-	13,437	20,515
<i>Financial liabilities</i>							
Trade and other payables	17		-	-	-	20,354	20,354
Bank bills	18	5.75%	-	3,087	9,737	-	12,824
Overdraft		7.17%	-	2,460	-	-	2,460
Lease purchase agreements	18	5.46%	-	106	88	-	194
			-	5,653	9,825	20,354	35,832
Year ended 30 June 2014							
<i>Financial assets</i>							
Cash and cash equivalents	9	1.02%	7,833	-	-	-	7,833
Trade and other receivables	10		-	-	-	15,023	15,023
			7,833	-	-	15,023	22,856
<i>Financial liabilities</i>							
Trade and other payables	17		-	-	-	24,617	24,617
Bank bills	18	5.67%	-	1,238	2,503	-	3,741
Lease purchase agreements	18	10.90%	-	81	162	-	243
			-	1,319	2,665	24,617	28,601

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

27. FINANCIAL INSTRUMENTS (continued)

- ii. Net fair values of financial assets and liabilities

The carrying amounts of financial assets and liabilities approximate their net fair value.

- iii. In addition, the Group holds investments recognised at fair value of \$3,224,000 (2014: \$2,618,000). The basis for fair value is disclosed in Note 1.

- iv. Sensitivity Analysis

The following table illustrates sensitivity analysis to the Group's exposure to changes in interest rates. The table indicates the estimated impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the interest rate that management considers reasonably possible.

	Profit	Equity
	\$	\$
2015		
+/- 2% in interest rates	(319)	(319)

28. PARENT INFORMATION

The following information has been extracted from the books of the parent and has been prepared in accordance with Australian Accounting Standards

	2015 \$000s	2014 \$000s Restated
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	23,641	22,238
Non-current assets	4,963	5,365
Total Assets	28,603	27,603
Liabilities		
Current Liabilities	233	170
Non-current liabilities	647	589
Total Liabilities	880	759
Equity		
Share capital	32,534	32,534
Retained earnings	(4,811)	(5,690)
Total Equity	27,723	26,844

STATEMENT OF COMPREHENSIVE INCOME

Total profit	3,672	4553
Total comprehensive income	3,672	4,553

ACADEMIES AUSTRALASIA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

29. COMPANY DETAILS

The registered office and principal place of business of Academies Australasia Group Limited is:

Level 6, 505 George Street
Sydney NSW 2000
Australia

Principal places of business of the Group:

NEW SOUTH WALES

Academies Australasia Institute
Academy of English
Australian College of Technology
Australian International High School
Clarendon Business College
Supreme Business College
Level 6, 505 George Street
Sydney, NSW 2000

Benchmark College
140 Henry Street, Penrith, NSW 2750

College of Sports & Fitness
12 Wentworth Avenue, Darlinghurst, NSW 2010

RuralBiz Training
46 Wingewarra Street, Dubbo, NSW 2830

QUEENSLAND

Brisbane School of Hairdressing
Brisbane School of Beauty
Queen Adelaide Building
90-112 Queen Street Mall
Brisbane, QLD 4000

Gold Coast School of Hairdressing
Shop G105, Australia Fair Shopping Centre
Southport, QLD 4215

VICTORIA

Academies Australasia Polytechnic
Level 7, 628 Bourke Street
Melbourne, VIC 3000

Discover English
378 Bourke Street, Melbourne, VIC 3000

Spectra Training
100 Dorcas Street, Melbourne, VIC 3205

Vostro Institute
82-96 Hampstead Road, Maidstone, VIC 3012

Skills Training Australia
Level 2, 2 Capital City Boulevard
Knox Ozone, Wantirna, South VIC 3152

SOUTH AUSTRALIA

Print Training Australia
Unit 17, 169 Unley Road, Unley, SA 5061

WESTERN AUSTRALIA

Language Links
90 Beaufort Street, Perth, WA 6000

SINGAPORE

Academies Australasia College
51 Middle Road, Singapore 188959

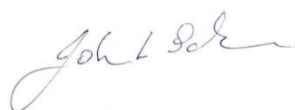
**ACADEMIES AUSTRALASIA GROUP LIMITED
AND CONTROLLED ENTITIES
DIRECTORS DECLARATION**

The Directors of the Company declare that:

1. the financial statements and notes, set out on pages 24 to 59, are in accordance with the *Corporations Act 2001* and
 - (i) comply with Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (ii) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the Company and consolidated group.
2. The Chief Executive Officer and Chief Financial Officer have each declared that:
 - (i) the financial records of the Company and the consolidated group for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;
 - (ii) the financial statements and notes for the financial year comply with Accounting Standards; and
 - (iii) the financial statements and notes for the financial year give a true and fair view, and
3. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable. The Company and wholly owned subsidiaries identified in Note 13 but excluding those in Note 22, have entered into a deed of cross guarantee under which the Company and its subsidiaries guarantee the debts of each other.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

This declaration is made in accordance with a resolution of the Board of Directors.



Dr John Lewis Schlederer
Director



Christopher Elmore Campbell
Director

28 September 2015

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ACADEMIES AUSTRALASIA GROUP LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Academies Australasia Group Limited (the company) and its controlled entities (the consolidated group), which comprises the consolidated statement of financial position as at 30 June 2015, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year set out on pages 24 to 60.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We have given the directors of the company a written auditor's independence declaration, a copy of which is included in the directors' report.

Auditor's Opinion

In our opinion:

- a. the financial report of Academies Australasia Group Limited and its controlled entities is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the consolidated group's financial position as at 30 June 2015 and of its financial performance and its cash flows for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

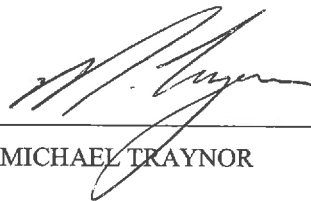
We have audited the Remuneration Report of Academies Australasia Group Limited included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Academies Australasia Group Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.



PILOT PARTNERS



MICHAEL TRAYNOR

28 September 2015

Level 10
1 Eagle Street
Brisbane, Queensland 4000

**ACADEMIES AUSTRALASIA GROUP LIMITED
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES**

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows.

SUBSTANTIAL HOLDERS

Ordinary Shares

The relevant interests of substantial shareholders as at 25 September 2015 were:

<u>Shareholder</u>	<u>No. of Shares Held</u>	<u>%</u>
Mr Chiang Meng Heng ^a	25,291,886	40.75
Mr Christopher Elmore Campbell ^b	7,777,777	12.53
Jilcy Pty Ltd <Jilcy Super Fund A/C>	7,273,777	11.72
Raphael Geminder ^c	5,479,605	8.83
Gary William Cobbledick ^d	4,933,041	7.95
Eng Kim Low	3,779,126	6.09
ACN 166 970 565 Pty Ltd ^e	3,409,091	5.49

^a Includes 3,779,126 shares held by Eng Kim Low and 350,000 shares held by UOB Kay Hian Private Pty Limited

^b Includes 7,273,777 shares held by Jilcy Pty Ltd <Jilcy Super Fund A/C> and 500,000 shares held by Bankura Pty Ltd <Campbell Family Trust A/C>

^c 4,006,396 held by BB&M Holdings Pty Limited and 1,473,209 held by Geminder Holdings Pty Limited

^d 4,006,396 held by BB&M Holdings Pty Limited and 926,645 held by Stormont Pty Limited

^e 2,639,776 held by ACN 166 970 565 Pty Ltd and 769,315 held by DFL Holdings Pty Limited

VOTING RIGHTS

Ordinary Shares

At 25 September 2015 there were 421 holders of the ordinary shares of the Company. The voting rights attaching to the ordinary shares, set out in Articles 69 and 70 of the Company's constitution, are:

Article 69

"Subject to these Articles and any rights or restrictions for the time being attached to any class or classes of shares:

- (a) at meetings of members or classes of members each member entitled to attend and vote may attend and vote in person or by proxy, or attorney and (where the member is a body corporate) by representative;*
- (b) on a show of hands, every Member present has 1 vote;*
- (c) on a poll, every Member present has:*
 - (i) 1 vote for each fully paid share;"*

Article 70

"Where more than 1 joint holder votes, the vote of the holder, whose name appears first in the register of members shall be accepted to the exclusion of the others."

**ACADEMIES AUSTRALASIA GROUP LIMITED
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES**

20 LARGEST SHAREHOLDERS AS AT 25 SEPTEMBER 2015

	<u>Registered Name</u>	<u>No. Shares</u>	<u>%</u>
1	Mr Chiang Meng Heng	21,162,760	34.10
2	Jilcy Pty Ltd <Jilcy Super Fund A/C>	7,273,777	11.72
3	BB&M Holdings Pty Limited	4,006,396	6.46
4	Eng Kim Low	3,779,126	6.09
5	Citicorp Nominees Pty Limited	2,711,079	4.37
6	ACN 166 970 565 Pty Ltd	2,639,776	4.25
7	BNP Paribas Noms Pty Ltd <DRP>	1,690,455	2.72
8	National Nominees Limited	1,549,399	2.50
9	Geminder Holdings Pty Limited	1,473,209	2.37
10	J&B Schlederer Pty Ltd <J&B Schlederer Super A/C>	1,450,000	2.34
11	Stormont Pty Limited	926,645	1.49
12	HSBC Customer Nominees (Australia) Limited	779,458	1.26
13	Catholic Church Insurance Limited	772,700	1.25
14	DFL Holdings Pty Limited	769,315	1.24
15	Mrs Gail Leslie Storey	634,335	1.02
16	Bankura Pty Ltd <Campbell Family Trust A/C>	476,000	0.77
17	Ms Anthea Judith Drescher	439,922	0.71
18	UOB Kay Hian Private Limited	380,000	0.61
19	Frank Kwong-Shing Wong	380,000	0.61
20	JP Morgan Nominees Australia Limited	362,806	0.58
		<hr/>	
		53,659,415	86.46

HOLDING RANGE (SHAREHOLDERS) AS AT 25 SEPTEMBER 2015

<u>Range</u>	<u>No. Holders</u>	<u>Total No. Shares</u>	<u>%</u>
1 - 1,000	79	54,218	0.09
1,001 - 5,000	140	390,689	0.63
5,001 - 10,000	64	497,246	0.80
10,001 - 100,000	98	3,578,228	5.77
100,001 +	40	57,543,103	92.72
	<hr/>		
	421	62,063,484	100.00

UNMARKETABLE PARCELS AS AT 25 SEPTEMBER 2015

	<u>Minimum Parcel Size</u>	<u>No. Holders</u>	<u>Units</u>
Minimum \$500.00 parcel at \$0.325 per unit	1,539	98	78,665

* * *

CORPORATE INFORMATION

DIRECTORS

Dr John Lewis Schlederer
Christopher Elmore Campbell
Chiang Meng Heng
Gabriela Del Carmen Rodriguez Naranjo
Gary William Cobbledick
Bill Say Mui Foo

COMPANY SECRETARY

Chris Grundy

REGISTERED OFFICE

Academies Australasia Group Limited
Level 6, 505 George Street
Sydney NSW 2000
Australia

Telephone: (02) 9224 5555
Facsimile: (02) 9224 5550
Email: companysecretary@academies.edu.au

Web Site: www.academies.edu.au

SHARE REGISTRAR

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne, VIC 3001
Australia

Telephone: +61 (03) 9415 4000
Toll Free (Australia only) 1300 855 080

SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange.
The Home Exchange is Sydney.

ASX Code: **AKG**