HANSEN TECHNOLOGIES LTD
ABN 90 090 996 455
AND CONTROLLED ENTITIES

FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2016
PROVIDED TO THE ASX UNDER LISTING RULE 4.3A

Appendix 4E Preliminary Final Report

Hansen Technologies Limited and its Controlled Entities

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

1. Reporting period

Report for the financial year ended:	30 June 2016
Previous corresponding period is the financial year ended:	30 June 2015

2. Results for announcement to the market

		2016 $'000	2015 $'000
Operating revenues from ordinary activities	Up 40%	148,961	106,257
Profit from ordinary activities after tax attributable to members	Up 54%	26,083	16,944

	Amount per security	**Franked amount per security**
Final Dividend		
Final dividend for the year ended 30 June 2016	4.0¢	4.0¢
Final dividend for previous corresponding period	3.0¢	2.5¢
Payment date for the final dividend for the year ended 30 June 2016	30 September 2016	
Record date for determining entitlement to the future dividend	6 September 2016	
Interim Dividend		
Interim dividend for the 2016 fiscal year	3.0¢	2.5¢
Interim dividend for previous corresponding period	3.0¢	2.5¢
Payment date for the interim dividend	31 March 2016	

A regular dividend of 3.0 cents per share, together with a special dividend of 1.0 cent per share has been Declared. This final dividend totalling 4.0 cents per share is 100% franked. This brings the total disbursements for the year to 7.0 cents franked to 92.9%.

Please refer to the attached preliminary financial report for the year ended 30 June 2016 and the accompanying press release for more detail.

3. Statement of Comprehensive Income

Refer to the attached statement and relevant notes.

4. Statement of Financial Position

Refer to the attached statement and relevant notes.

5. Statement of Cash Flows

Refer to the attached statement and relevant notes.

6. Dividends

	Date of payment	**Total amount of dividend**
Three cent final dividend – year ended 30 June 2015	30 September 2015	$5,306,560
Three cent interim dividend – year ended 30 June 2016	31 March 2016	$5,352,922
Four cent final dividend – year ended 30 June 2016	30 September 2016	$7,196,614

Amount per security

		Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend:	Current year (interim)	3.0¢	83%	0¢
	Previous year (interim)	3.0¢	83%	0¢
	Current year (final)	4.0¢	100%	0¢
	Previous year (final)	3.0¢	83%	0¢

Total dividend paid on all securities

	Within the current fiscal year $A'000	Previous fiscal year $A'000
Ordinary securities	10,660	9,773
Total	**10,660**	**9,773**

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

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

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

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

The last date for receipt of election notices for participation in the dividend or distribution reinvestment plan	7 September 2016

8. Statement of retained earnings

	Consolidated Entity	
	2016	**2015**
	$'000	**$'000**
Balance at the beginning of year	29,489	22,318
Net profit attributable to members of the parent entity	26,083	16,944
Total available for appropriation	55,572	39,262
Dividends paid	(10,660)	(9,773)
Balance at end of year	44,912	29,489

9. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	16.1 Cents	5.6 Cents

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

There has been no entities over which Hansen Technologies Ltd has gained or lost control of during the period. Subsequent to year end Hansen Technologies Limited gained control of PPL Solutions LLC as announced to the ASX per the ASX announcement on 1 July 2016.

11. Details of associates and joint venture entities

None

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

Results from Operations for the full year 2016

	FY16 $A million	FY15 $A million	Variance %
Operating revenue	148.9	106.3	↑ 40.0
EBITDA	45.4	31.3	↑ 45.0
Profit before tax	36.4	24.0	↑ 51.7
Income tax expense	(10.3)	(7.1)	↑ 45.0
Net profit after tax	26.1	16.9	↑ 54.4
Earnings per share	14.7 cents	10.3 cents	↑ 42.7

Please refer to the attached statements and relevant notes.

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

14. Commentary on the results for the period

Hansen is once again pleased to announce strong performance across the 2016 year. Both revenue and earnings per share have exceeded all previous benchmarks as we have continued to expand our business operations offshore.

The businesses growth and profit performance is something that our global team has contributed to and is an achievement that the 570+ employees are very proud of. I would like to take this opportunity to thank everyone for their commitment and contribution in delivering this result.

Key Milestones

These results include for the first time the full year's performance of the TeleBilling business purchased in May 2015. This business has now adopted Hansen methodologies and has delivered a strong contribution across its first year. TeleBilling, while focusing on customer care and billing, has extended our telecommunications and Pay TV offering into central and northern Europe. It is exciting that this business has delivered new customers to Hansen in its first year of operation.

Our strong customer relationships and the delivery of a number of new logos across the year has resulted in an unusually high period of organic growth across the period. The careful planning around the delivery of these systems and customer solutions has produced a year of strong staff utilisation allowing us to deliver an EBITDA margin of 30.5% which is at the upper end of our target range.

With the business continuing to expand internationally our investment in key staff has continued across the period. We believe it is important to ensure that the business is well supported as it continues to grow in regions outside of Australia. This investment will continue into the future.
The cash flow from operations continues to be strong across the business enabling us to retire all debt and accumulate cash into the close of the financial year.

15. Audit of the financial report

The financial report is in the process of being audited.

16. The audit has not yet been completed

The financial report is not likely to contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph.

Financial Report for Hansen Technologies Ltd and Controlled Entities
For the year ended
30 June 2016

Financial Report for Hansen Technologies Ltd and Controlled Entities - For the year ended 30 June 2016

Contents	Page Number

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2016

	Note	Consolidated Entity 2016 $'000	2015 $'000
Revenue	3	148,961	106,257
Other income	3	236	475
Total revenue and other income		149,197	106,732
Employee benefit expenses	4	(74,249)	(55,295)
Depreciation expense	4	(2,547)	(1,863)
Amortisation expense	4	(6,489)	(5,213)
Property and operating rental expenses	4	(5,891)	(4,575)
Contractor and consultant expenses		(4,057)	(1,582)
Software licence expenses		(1,035)	(1,092)
Hardware and software expenses		(6,071)	(3,251)
Travel expenses		(4,955)	(3,719)
Communication expenses		(2,042)	(1,768)
Professional expenses		(1,915)	(1,407)
Other expenses		(3,522)	(2,964)
Total expenses		(112,773)	(82,729)
Profit before income tax		36,424	24,003
Income tax expense		(10,341)	(7,059)
Profit after income tax from continuing operations		26,083	16,944
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translation of foreign entities		2,221	10,052
Other comprehensive income for the year		2,221	10,052
Total comprehensive income for the year attributable to members of the parent		28,304	29,996
Basic earnings (cents) per share for continuing operations	16	14.7	10.3
Total basic earnings (cents) per share		14.7	10.3
Diluted earnings (cents) per share for continuing operations	16	14.4	10.0
Total diluted earnings (cents) per share		14.4	10.0

The consolidated statement of profit and loss and other comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 12 to 33.

Consolidated Statement of Financial Position

As at 30 June 2016

	Note	Consolidated Entity 2016 $'000	2015 $'000
Current assets			
Cash and cash equivalents	6	30,203	21,985
Receivables	7	21,507	19,950
Other current assets	8	6,923	5,202
Total current assets		58,633	47,137
Non-current assets			
Plant, equipment and leasehold improvements	9	6,743	7,556
Intangible assets	10	106,059	104,103
Deferred tax assets		4,030	3,599
Total non-current assets		116,832	115,258
Total assets		175,465	162,395
Current liabilities			
Payables	11	12,229	8,005
Borrowings	12	95	10,087
Current tax payable		2,187	3,813
Provisions	13	9,497	8,862
Unearned income		11,171	13,570
Total current liabilities		35,179	44,337
Non-current liabilities			
Deferred tax liabilities		4,810	4,012
Borrowings	12	291	374
Provisions	13	205	143
Total non-current liabilities		5,306	4,529
Total liabilities		40,485	48,866
Net assets		134,980	113,529
Equity			
Share capital	14	78,650	75,127
Foreign currency translation reserve	15(a)	10,167	7,946
Options granted reserve	15(b)	1,251	967
Retained earnings	15(c)	44,912	29,489
Total equity		134,980	113,529

The consolidated statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 12 to 33.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2016

Consolidated entity	Note	Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
		Consolidated Entity			
Balance as at 1 July 2015		75,127	8,913	29,489	113,529
Profit for the year		-	-	26,083	26,083
Movement in carrying amount of foreign entities due to currency translation	15(a)	-	2,221	-	2,221
Total comprehensive income for the year		-	2,221	26,083	28,304
Transactions with owners in their capacity as owners:					
Employee share plan	14(b)	161	-	-	161
Options exercised	14(b)	2,238	-	-	2,238
Employee share options	15(b)	-	284	-	284
Equity issued under dividend reinvestment plan	14(b)	1,154	-	-	1,154
Share purchase plan offer	14(b)	(30)	-	-	(30)
Dividends paid	5	-	-	(10,660)	(10,660)
Total transactions with owners in their capacity as owners		3,523	284	(10,660)	(6,853)
Balance as at 30 June 2016	15, 16	78,650	11,418	44,912	134,980

Consolidated entity	Note	Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
		Consolidated Entity			
Balance as at 1 July 2014		45,126	(1,358)	22,318	66,086
Profit for the year		-	-	16,944	16,944
Movement in carrying amount of foreign entities due to currency translation	15(a)	-	10,052	-	10,052
Total comprehensive income for the year		-	10,052	16,944	26,996
Transactions with owners in their capacity as owners:					
Employee share plan	14(b)	155			155
Options exercised	14(b)	1,257	-	-	1,257
Employee share options	15(b)	-	219	-	219
Equity issued under dividend reinvestment plan	14(b)	1,510	-	-	1,510
Institutional placement	14(b)	14,780	-	-	14,780
Share purchase plan offer	14(b)	12,299	-	-	12,299
Dividends paid	5	-	-	(9,773)	(9,773)
Total transactions with owners in their capacity as owners		30,001	219	(9,773)	20,447
Balance as at 30 June 2015	15, 16	75,127	8,913	29,489	113,529

The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 12 to 33.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2016

	Note	Consolidated Entity 2016 $'000	2015 $'000
Cash flows from operating activities			
Receipts from customers		154,984	108,671
Payments to suppliers and employees		(110,764)	(67,479)
Interest received		62	60
Finance costs		(59)	(234)
Income tax paid		(11,600)	(4,129)
Net cash provided by operating activities		32,623	36,889
Cash flows from investing activities			
Payment for acquisition of business net of bank overdraft assumed		-	(29,900)
Payment for plant and equipment	9	(1,810)	(3,037)
Payment for capitalised development costs	10	(5,488)	(4,479)
Net cash used in investing activities		(7,298)	(37,416)
Cash flows from financing activities			
Proceeds from share issue	14(b)	161	27,436
Proceeds from options exercised	14(b)	2,238	1,257
Proceeds from borrowings	12	-	24,000
Payment of borrowings	12	(10,000)	(25,748)
Dividends paid net of dividend re-investment		(9,506)	(8,262)
Net cash provided by (used in) financing activities		(17,107)	18,683
Net increase in cash and cash equivalents		8,218	18,156
Cash and cash equivalents at beginning of year		21,985	3,829
Cash and cash equivalents at end of the year		30,203	21,985

The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 12 to 33.

Notes to the Financial Statements
30 June 2016

1. Statement of significant accounting policies

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

(a) Basis of preparation of the Financial Report

This Financial Report is a general purpose Financial Report that has been prepared in accordance with Australian Accounting Standards, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The Financial Report covers Hansen Technologies Ltd and controlled entities as a consolidated entity. Hansen Technologies Ltd is a company limited by shares, incorporated and domiciled in Australia. The address of Hansen Technologies Ltd registered office and principal place of business is 2 Frederick St Doncaster. Hansen Technologies Ltd is a for-profit entity for the purpose of preparing the financial statements.

This preliminary Financial Report was authorised for issue by the Directors on 23 August 2016.

Compliance with IFRS

The consolidated financial statements of Hansen Technologies Ltd also comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The Financial Report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Significant accounting estimates

The preparation of the Financial Report requires the use of certain estimates and judgments in applying the entity's accounting policies. Those estimates and judgments significant to the Financial Report are disclosed in note 2.

(b) Principles of consolidation

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

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

All inter-company balances and transactions, including any unrealised profits or losses, have been eliminated on consolidation. Subsidiaries are consolidated from the date that control is established.

(c) Revenue

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

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

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

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

(d) Cash and cash equivalents

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

(e) Plant, equipment and leasehold improvements

Cost and valuation

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

Depreciation

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

The useful lives for each class of assets are:	2016	2015
Plant, equipment and leasehold improvements	2.5 to 12 years	2.5 to 12 years
Leased plant and equipment	2.5 to 12 years	2.5 to 12 years

(f) Leases

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

Finance leases

Leases of fixed assets, where substantially all of the risks and benefits incidental to ownership of the asset but not the legal ownership are transferred to the consolidated entity, are classified as finance leases. Finance leases are capitalised, recording an asset and liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

The interest expense is calculated using the interest rate implicit in the lease and is included in finance costs in the statement of profit or loss.

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

Operating leases

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

(g) Business combinations

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

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree. Deferred consideration payable is measured at its acquisition date fair value. At each reporting date subsequent to the acquisition, contingent consideration payable is measured at its fair value with any changes in the fair value recognised in profit or loss unless the contingent consideration is classified as equity, in which case the contingent consideration is carried at the acquisition-date fair value.

Goodwill is recognised initially as the excess of:

(a) The aggregate of the consideration transferred, the fair value of the non-controlling interests and the acquisition date fair value of the acquirers previously held equity interest; over (b) the net fair value of the identifiable assets acquired and liabilities assumed.

Acquisition-related costs are expensed as incurred.

(h) Intangibles

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable or separately recognised. Refer to Note 1(g) for a description of how goodwill arising from a business combination is initially measured.

Technology, trademarks and customer contracts

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

Research and development

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

Development costs are capitalised when the entity can demonstrate all of the following: the technical feasibility of completing the asset so that it will be available for use or sale; the intention to complete the asset and use or sell it; the ability to use or sell the asset; how the asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and the ability to measure reliably the expenditure attributable to the asset during its development.

Capitalised development expenditure is carried at cost less any accumulated amortization and any accumulated impairment losses. Amortisation is calculated using a straight–line method to allocate the cost of the intangible asset over its estimated useful life, which range from 5 to 10 years. Amortisation commences when the intangible asset is available for use.

Other development expenditure is recognised as an expense when incurred.

(i) Impairment of non-financial assets

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

(j) Income tax

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

Deferred tax balances

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

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

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

Tax consolidation

The consolidated entity is subject to income taxes in Australia and jurisdictions in which it has foreign operations. In some of these jurisdictions, namely Australia, the USA, and Denmark, the immediate parent entity and entities it controls have formed local income tax consolidated groups that are taxed as a single entity in their relevant jurisdiction. Each tax consolidated group has entered a tax funding agreement whereby each entity in the tax consolidated group recognises the assets, liabilities, expenses and revenues in relation to its own transactions, events and balances only. This means that:

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

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

(k) Provisions

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

(l) Employee benefits

(i) Short term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave, long service leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at the amounts based on remuneration rates that are expected to be paid when the liability is settled. The expected cost of short term employee benefits in the form of compensated absences such as annual leave and long service leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables.

(ii) Other long term employee benefit obligations

The provision for other long term employee benefits, including obligation for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected further payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

(iii) Retirement benefit obligations

The consolidated group makes retirement benefit contributions to the employee's defined contribution retirement plan of choice in respect of employee services rendered during the year. These retirement contributions are recognised as an expense in the same period when the related employee services are received. The group's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid retirement contributions at the end of the reporting period. All obligations for unpaid retirement contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the statement of financial position.

(iv) Share-based payments

The consolidated entity operates share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is measured at the market bid price at grant date. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares and options expected to vest is reviewed and adjusted at each reporting date. The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

(v) Bonus plan

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

(vi) Termination benefits

The group recognises an obligation and expense for termination benefits at the earlier of: (a) the date when the group can no longer withdraw the offer for termination benefits; and (b) when the group recognises costs for restructuring and the costs include termination benefits. In either case, the obligation and expense for termination benefits is measured on the basis of the best estimate of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before twelve months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

(m) Borrowing costs

Borrowing costs can include interest expense calculated using the effective interest method and finance charges in respect of finance leases. Borrowing costs are expensed as incurred except for borrowing costs incurred as part of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.

(n) Financial instruments

Classification

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

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, are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation by key management personnel. Investments in listed securities are carried at fair value through profit or loss. They are measured at their fair value at each reporting date and any increment or decrement in fair value from the prior period is recognised in profit or loss of the current period. Fair value of listed investments are based on closing bid prices at the reporting date.

Loans and receivables

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

Financial liabilities

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

(o) Foreign currencies translations and balances

Functional and presentation currency

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

Transactions and balances

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

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

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

Foreign subsidiaries

Subsidiaries that have a functional currency different to the presentation currency of the consolidated group are translated as follows:

- assets and liabilities are translated at year end exchange rates prevailing at that reporting date;
- income and expenses are translated at actual exchange rates or average exchange rates for the period, where appropriate; and
- all resulting exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve as a separate component of equity in the balance sheet.

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

(p) Sales tax (including GST and VAT)

Revenues, expenses and assets are recognised net of the amount of sales tax, except where the amount of sales tax incurred is not recoverable from the Tax Office. In these circumstances the sales tax is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of sales tax.

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

(q) Comparatives

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

(r) Rounding amounts

The parent entity and the consolidated entity have applied the relief available under Corporations (Rounding in Financial/Director's Reports) instrument 2016/191 and, accordingly the amounts in the consolidated financial statements and in the Directors' Report have been rounded to the nearest thousand dollars, or in certain cases to the nearest dollar.

(s) Going concern

The Financial Report has been prepared on a going concern basis.

(t) Adoption of new and amended accounting standards that are first operative at 30 June 2016

There are no new or amended accounting standards effective for the financial year beginning 1 July 2015 that have affected any amounts recorded in the current or prior year.

(u) Accounting standards and interpretations issued but not operative at 30 June 2016

The following standards and interpretations have been issued at the reporting date but are not yet effective. The Directors' assessment of the impact of these standards and interpretations is set out on the following page.

(i) AASB 15 Revenue from Contracts with Customers

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

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

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

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

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

(ii) AASB 9 Financial Instruments

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

AASB 9 amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income.

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

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

The effective date is annual reporting periods beginning on or after 1 January 2018. The impact if any of AASB 9 has yet to be quantified.

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

(iii) AASB 16 Leases

AASB 16 will replace AASB 117: Leases and introduces a single lessee accounting model that will require a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Right-of-use assets are initially measured at their cost and lease liabilities are initially measured on a present value basis. Subsequent to initial recognition:

right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for in accordance with a cost model unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:

- investment property, the lessee applies the fair value model in AASB 140: Investment Property to the right-of-use asset; or
- property, plant or equipment, the lessee can elect to apply the revaluation model in AASB 116: Property, Plant and Equipment to all of the right-of-use assets that relate to that class of property, plant and equipment; and
- lease liabilities are accounted for on a similar basis as other financial liabilities, whereby interest expense is recognised in respect of the liability and the carrying amount of the liability is reduced to reflect lease payments made.

AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, under AASB 16 a lessor would continue to classify its leases as operating leases or finance leases subject to whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset, and would account for each type of lease in a manner consistent with the current approach under AASB 117.

Although the directors anticipate that the adoption of AASB 16 may have an impact on the Group's accounting for its operating leases, it is impracticable at this stage to provide a reasonable estimate of such impact.

2. Critical accounting estimates and judgements

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

(a) Impairment of goodwill

The intangible asset of goodwill is subject to periodic review to assess if its carrying value has been impaired. This assessment compares the carrying book value with the recoverable amount of these assets using value in-use discounted cash flow projection calculations based on management's determination of budgeted cash flow projections and gross margins, past performance and its expectations for the future. The valuation utilises the billing business segment of the Board-approved budget for the subsequent fiscal year (being the business segment to which goodwill applies), and:

- provides for a constant 5% growth rate (2015: 5%) for the remainder of the forecast period; and
- utilises a 12% (2015:12%) weighted cost of capital discount rate; to
- determine the discounted value of the resultant cash flow over a five-year period, plus terminal value using a terminal growth rate of 2% (2015: 2%) at period end.

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

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

(c) Income tax

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

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

(d) Research and development

Development costs incurred are assessed for each research and development project and a percentage of the expenditure is capitalised when technical feasibility studies demonstrate that the project will deliver future economic benefits and those benefits can be measured reliably.

There has been investment in research and development expenditure incurred in relation to the HUB, Peace, ICC, Banner and NaviBilling software in the 2016 year. Returns are expected to be derived from this investment over coming years.

(e) Fair Value Measurement

Certain financial assets and liabilities are measured at fair value. Fair values have been determined in accordance with fair value measurement hierarchy.

3. Revenue and other income

	Consolidated Entity	
	2016 $'000	2015 $'000
Revenues from continuing operations		
Revenue from sale of goods and services	148,961	106,257
	148,961	106,257
Other income:		
From operating activities		
Interest received	62	60
Net foreign exchange gains	(59)	203
Other income	233	212
Total other income	236	475
Total revenue and other income from continuing operations	149,197	106,732

4. Profit from continuing operations

	Note	Consolidated Entity 2016 $'000	2015 $'000
Profit from continuing operations before income tax has been determined after the following specific expenses:			
Employee benefit expenses			
Wages and salaries		68,585	51,142
Superannuation costs		5,378	3,934
Share-based payments		286	219
Total employee benefit expenses		74,249	55,295
Depreciation expense			
Plant, equipment and leasehold improvements	9	2,547	1,863
Total depreciation expense		2,547	1,863
Amortisation of non-current assets			
Technology, trademarks and customer contracts	10	3,572	3,082
Research and development	10	2,917	2,131
Total amortisation of non-current assets		6,489	5,213
Property and operating rental expenses			
Rental charges		5,891	4,575
Total property and operating rental expenses		5,891	4,575
Finance charges			
Finance costs		-	234
Total finance costs		-	234

5. Dividends

2016

A 4 cent per share final dividend, franked to 4 cents, was announced to the market on 24 August 2016. The amount declared has not been recognised as a liability in the accounts of Hansen Technologies Ltd as at 30 June 2016.

	Consolidated Entity	
	2016 $'000	2015 $'000
Dividends provided for or paid during the year		
3 cent per share final dividend paid 30 September 2015 – franked to 2.5 cents	5,307	
3 cent per share final dividend paid 30 September 2014 – fully franked		4,874
3 cent per share interim dividend paid 31 March 2016 – franked to 2.5 cents	5,353	
3 cent per share interim dividend paid 27 March 2015 – franked to 2.5 cents		4,899
	10,660	9,773
Proposed dividend not recognised at the end of the year	7,197	5,307
Dividend franking account		
30% franking credits, on a tax paid basis, are available to shareholders of Hansen Technologies Ltd for subsequent financial years	5,513	2,473

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

(a) franking credits that will arise from the payment of any current tax liability;

(b) franking debits that will arise from the payment of any dividends recognised as a liability at year end;

(c) franking credits that will arise from the receipt of any dividends recognised as receivables at year end; and

(d) franking credits that the entity may be prevented from distributing in subsequent years.

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

6. Cash and cash equivalents

	Consolidated Entity	
	2016 $'000	2015 $'000
Current		
Cash at bank and on hand	29,644	5,718
Interest bearing deposits	559	16,267
	30,203	21,985

7. Receivables

	Consolidated Entity 2016 $'000	Consolidated Entity 2015 $'000
Current		
Trade receivables	20,821	19,578
Less: provision for impairment	(31)	(470)
	20,790	19,108
Sundry receivables	717	842
	21,507	19,950

Trade and other receivables ageing analysis at 30 June:	Gross 2016 $'000	Impairment 2016 $'000	Gross 2015 $'000	Impairment 2015 $'000
Not past due	14,685	-	15,708	-
Past due 31–60 days	1,416	-	1,350	-
Past due 61–90 days	803	-	1,072	-
Past due more than 91 days	3,917	31	1,448	470
	20,821	31	19,578	470

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

	2016 $'000	2015 $'000
Movements in the provision for impairment were:		
Opening balance at 1 July	470	317
Movement for the year	-	393
Amounts written off	(439)	(319)
Foreign exchange translation	-	79
Closing balance at 30 June	31	470

8. Other current assets

	Consolidated Entity 2016 $'000	Consolidated Entity 2015 $'000
Current		
Prepayments	2,341	1,990
Other receivables	-	38
Accrued revenue	4,582	3,174
	6,923	5,202

9. Plant, equipment and leasehold improvements

	Consolidated Entity 2016 $'000	Consolidated Entity 2015 $'000
Plant, equipment and leasehold improvements at cost	33,504	32,111
Accumulated depreciation	(26,761)	(24,555)
Total plant, equipment and leasehold improvements	6,743	7,556

Reconciliation

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

	Consolidated Entity 2016 $'000	Consolidated Entity 2015 $'000
Plant, equipment and leasehold improvements		
Carrying amount at 1 July	7,556	4,376
Additions	1,810	3,037
Acquired	-	1,960
Disposals	(117)	(19)
Depreciation expense	(2,547)	(1,863)
Net foreign currency movements arising from foreign operations	41	65
Carrying amount at 30 June	6,743	7,556

10. Intangible assets

	Consolidated Entity 2016 $'000	Consolidated Entity 2015 $'000
Goodwill at cost	84,196	81,888
Accumulated impairment	(1,575)	(1,454)
	82,621	80,434
Technology, trademarks and customer contracts at cost	22,496	21,740
Accumulated amortisation and impairment	(11,119)	(7,487)
	11,377	14,253
Software development at cost	35,141	29,574
Accumulated amortisation and impairment	(23,080)	(20,158)
	12,061	9,416
Total intangible assets	106,059	104,103

10. Intangible assets continued

	Note	Consolidated Entity 2016 $'000	2015 $'000
Reconciliation of goodwill at cost			
Carrying amount at 1 July		81,888	54,944
Increase due to acquisition		-	20,062
Net foreign currency movements arising from foreign operations		2,308	6,882
Carrying amount at 30 June		84,196	81,888
Accumulated impairment at beginning of year		(1,454)	(1,433)
Net foreign currency movements arising from foreign operations		(121)	(21)
Accumulated impairment at end of year		(1,575)	(1,454)
Reconciliation of technology, trademarks and customer contracts at cost			
Carrying amount at 1 July		21,740	12,377
Increase due to acquisition		-	7,091
Net foreign currency movements arising from foreign operations		756	2,272
Carrying amount at 30 June		22,496	21,740
Accumulated amortisation and impairment at beginning of year		(7,487)	(3,764)
Amortisation of technology, trademarks and customer contracts		(3,572)	(3,082)
Net foreign currency movements arising from foreign operations		(60)	(641)
Accumulated amortisation and impairment at end of year		(11,119)	(7,487)
Reconciliation of software development at cost			
Carrying amount at 1 July		29,574	28,627
Expenditure capitalised in current period		5,488	4,479
Fully amortised write back		-	(3,994)
Net foreign currency movements arising from foreign operations		79	462
Carrying amount at 30 June		35,141	29,574
Accumulated amortisation at beginning of year		(20,158)	(21,977)
Current year charge		(2,917)	(2,131)
Fully amortised write back		-	3,994
Net foreign currency movements arising from foreign operations		(5)	(44)
Accumulated amortisation at end of year		(23,080)	(20,158)

11. Payables

	Consolidated Entity	
	2016 $'000	2015 $'000
Current		
Trade payables	2,061	1,885
Other payables	10,168	6,120
	12,229	8,005

Included in other payables is a liability for contingent consideration related to a business combination dated 1 May 2015. This liability will be met with the issue of ordinary shares in July 2016.

12. Borrowings

	Consolidated Entity	
	2016 $'000	2015 $'000
Current		
Secured		
Term facility	-	10,000
Lease liability	95	87
	95	10,087
Non-current		
Secured		
Lease liability	291	374
	291	374

The Company has a secured A$30 million multi-currency two-year term facility with its external bankers to provide additional funding as required for acquisitions and general corporate purposes.

The facility is secured by 90% of Group assets. As at 30 June 2016 the remaining unutilised portion of the facility is A$30 million.

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

13. Provisions

	Consolidated Entity	
	2016 $'000	2015 $'000
Current		
Employee benefits	9,201	8,586
Onerous lease	-	-
Other	296	276
	9,497	8,862
Non-current		
Employee benefits	205	143
	205	143
(a) Aggregate employee benefits liability	9,406	8,729
(b) Number of employees at year end	579	544
Reconciliations		
Movements in provisions other than employee benefits:		
Provisions onerous lease – current		
Carrying amount at beginning of year	-	130
Net provisions (payments) made during the year	-	(130)
Carrying amount at end of year	-	-
Other – current		
Carrying amount at beginning of year	276	95
Net provisions (payments) made during the year	20	181
Carrying amount at end of year	296	276

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been discussed in Note 1(l).

14. Contributed capital

	Consolidated Entity 2016 $'000	Consolidated Entity 2015 $'000
(a) Issued and paid up capital		
Ordinary shares, fully paid	78,650	75,127

	Consolidated Entity 2016 No. of Shares	2016 $'000	Consolidated Entity 2015 No. of Shares	2015 $'000
(b) Movements in shares on issue				
Balance at beginning of the financial year	176,195,333	75,127	161,209,642	45,126
Shares issued under dividend reinvestment plan	377,199	1,154	931,695	1,510
Shares issued under employee share plan	46,529	161	65,720	155
Options exercised	2,295,000	2,238	1,345,000	1,257
Institutional placement	-	-	6,966,717	14,780
Share purchase plan offer	-	(30)	5,676,559	12,299
Balance at end of the financial year	178,914,061	78,650	176,195,333	75,127

15. Reserves and retained earnings

	Note	Consolidated Entity 2016 $'000	2015 $'000
Foreign currency translation reserve	15(a)	10,167	7,946
Options granted reserve	15(b)	1,251	967
Retained earnings	15(c)	44,912	29,489

(a) Foreign currency translation reserve

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

	2016 $'000	2015 $'000
Movements in reserve		
Balance at beginning of year	7,946	(2,106)
Adjustment to carrying value of overseas interests due to currency fluctuation	2,221	10,052
Balance at end of year	10,167	7,946

(b) Options granted reserve

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

	2016 $'000	2015 $'000
Movements in reserve		
Balance at beginning of year	967	748
Value of options granted during the year	284	219
Balance at end of year	1,251	967

(c) Retained earnings

	2016 $'000	2015 $'000
Balance at beginning of year	29,489	22,318
Dividends paid during the year	(10,660)	(9,773)
Net profit attributable to members of Hansen Technologies Ltd	26,083	16,944
Balance at end of year	44,912	29,489

16. Earnings per share

	Consolidated Entity 2016 $'000	2015 $'000
Reconciliation of earnings used in calculating earnings per share:		
Basic earnings – ordinary shares	26,083	16,944
Diluted earnings – ordinary shares	26,083	16,944

	2016 No. Shares	2015 No. Shares
Weighted average number of ordinary shares used in calculating basic earnings per share:		
Number for basic earnings per share – ordinary shares	177,557,079	164,045,486
Number for diluted earnings per share – ordinary shares	181,491,615	169,374,596

	2016 Cents Per Share	2015 Cents Per Share
Basic earnings (cents) per share from continuing operations	14.7	10.3
Total basic earnings (cents) per share	14.7	10.3
Diluted earnings (cents) per share from continuing operations	14.4	10.0
Total diluted earnings (cents) per share	14.4	10.0

Classification of securities as potential ordinary shares

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

17. Parent entity information

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

	Parent Entity	
	2016 $'000	2015 $'000
(a) Summarised statement of financial position		
Assets		
Current assets	96	68
Non-current assets	91,966	85,502
Total assets	92,062	85,570
Liabilities		
Current liabilities	4,161	3,773
Non-current liabilities	-	13
Total liabilities	4,161	3,786
Net assets	87,901	81,784
Equity		
Share capital	78,650	75,127
Accumulated profits	8,000	5,690
Share-based payments reserve	1,251	967
Total equity	87,901	81,784

	Parent Entity	
	2016 $'000	2015 $'000
(b) Summarised statement of comprehensive income		
Profit for the year	12,968	798
Total comprehensive income for the year	12,968	798

A dividend was paid from Hansen Corporation Pty Ltd to Hansen Technologies Ltd of $12.5m during the financial year.

(c) Parent entity guarantees

Hansen Technologies Ltd, being the parent entity, has entered into a guarantee in regard to the loan facility (refer note 12), but other than that has not entered into any guarantees in relation to debts of its subsidiaries.

18. Segment information

(a) Description of segments

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:

Billing: Represents the sale of billing applications and the provision of consulting services in regard to billing systems.

IT outsourcing: Represents the provision of various IT outsourced services covering facilities management, systems and operations support, network services and business continuity support.

Other: Represents software and service provision in superannuation administration.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

The consolidated entity's business segments operate geographically as follows:

APAC: Sales and services throughout Australia and Asia.

Americas: Sales and services throughout the Americas.

EMEA: Sales and services throughout Europe, the Middle East and Africa.

(b) Segment information

2016 Financial Year

2016	Billing $'000	Outsourcing $'000	Other $'000	Total $'000
Segment revenue				
Total segment revenue	139,939	6,310	2,712	148,961
Segment revenue from external source	139,939	6,310	2,712	148,961
Segment result				
Total segment result	33,874	2,811	1,085	37,770
Segment result from external source	33,874	2,811	1,085	37,770
Items included within the segment result:				
Depreciation expense	2,063	169	4	2,236
Amortisation expense	6,489	-	-	6,489
Total segment assets	140,716	1,669	717	143,102
Additions to non-current assets	1,035	-	-	1,035
Total segment liabilities	34,231	1,464	629	36,324

2015	2015 Financial Year Billing $'000	Outsourcing $'000	Other $'000	Total $'000
Segment revenue				
Total segment revenue	97,275	6,040	2,942	106,257
Segment revenue from external source	97,275	6,040	2,942	106,257
Segment result				
Total segment result	21,779	2,858	958	25,595
Segment result from external source	21,779	2,858	958	25,595
Items included within the segment result:				
Depreciation expense	1,514	84	6	1,604
Amortisation expense	5,213	-	-	5,213
Total segment assets	135,799	1,558	758	138,115
Additions to non-current assets	1,285	631	-	1,916
Total segment liabilities	32,695	1,606	782	35,083

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

	2016 $'000	2015 $'000
Segment revenue from external source	148,961	106,257
Other revenue	174	415
Interest revenue	62	60
Total revenue	149,197	106,732

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

	2016 $'000	2015 $'000
APAC	41,167	39,068
Americas	35,184	32,142
EMEA	72,610	35,047
Total revenue	148,961	106,257

18. Segment information continued

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

	2016 $'000	2015 $'000
Segment result from external source	37,770	25,595
Interest revenue	62	60
Interest expense	-	(234)
Depreciation and amortisation	(311)	(259)
Other expense	(1,097)	(1,159)
Total profit before income tax	36,424	24,003

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

	2016 $'000	2015 $'000
Segment assets	143,102	138,115
Unallocated assets		
– Cash	30,203	21,985
– Other	2,160	2,295
Total unallocated assets	32,363	24,280
Total assets	175,465	162,395

Total assets attributed to individual regions is detailed as follows:

	2016 $'000	2015 $'000
APAC	52,130	58,691
Americas	75,372	58,355
EMEA	47,963	45,349
Total assets	175,465	162,395

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

	2016 $'000	2015 $'000
Segment liabilities	36,324	35,083
Unallocated liabilities		
– Bank facility	-	10,000
– Other	4,161	3,783
Total unallocated liabilities	4,161	13,783
Total liabilities	40,485	48,866