

INTELLECT DESIGN ARENA PTY LTD
(ABN 83 608 978 043)

FINANCIAL STATEMENTS

31 MARCH 2017

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INTELLECT DESIGN ARENA PTY LTD*Directors' Report*

Your directors present this report on the financial statements for the period ended 31 March 2017.

Directors

The following persons hold office as directors of Intellect Design Arena Pty Ltd at the date of this report:

Anil Verma

Jaideep Billa

Swaminathan Subramanian

Results

Operating loss for the year after income tax was \$282,201 (2016 loss: \$282,900).

Principal Activities

The company was incorporated and commenced trading on 27 October 2015.

The principal continuing activity of the company during the year is to provide high performance financial technology solutions to Banking & Financial Institutions and insurance industries sectors in Australia, New Zealand, and Fiji.

Dividends

The Directors do not recommend payment of a dividend and no dividends have been paid or declared since 31 March, 2017.

Review of Operations

The company has been able to provide software Technology Solutions and services to a select group of companies in Australia enhancing their productivity and competitiveness in a challenging business environment.

This value creation has been possible by harnessing the global learnings and expertise of the Intellect Group.

Significant Change in the State of Affairs

There were no significant changes in the state of affairs of the company during the period.

INTELLECT DESIGN ARENA PTY LTD*Directors' Report (continued)*

Matters Subsequent to the end of the Financial Period

At the date of this report no matter or circumstance has arisen since 31 March 2017 that has significantly affected or may significantly affect:

- (a) the company's operations;
- (b) the results of those operations; or
- (c) the company's state of affairs, in financial years subsequent to 31 March 2017.

Likely Developments

The directors believe that notwithstanding the impact of the global economic slowdown barring unforeseen circumstances the company will start performing well in the market with the world products and systems.

Auditors

Foster Raffan were appointed auditors in accordance with Section 327 of the Corporations Act, 2001.

The auditors' Independence Declaration as required by Section 307c of the Corporations Act, 2001 is set out on page 4 and forms part of the Directors' Report for the period ended 31 March 2017.

This report is made in accordance with a resolution of the directors.



.....
Anil Verma
Director

Sydney 19 April 2017.

Partners:
Graeme J McLean
Vivien H Tang
G Douglas Wood

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Independent Auditors Report to the Member of Intellect Design Arena Pty Ltd

Scope

We have audited the financial statements, being a special purpose financial report, of Intellect Design Arena Pty Ltd for the period ended 31 March 2017 as set out on pages 4 to 10.

Directors' Responsibility

The company's directors are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal controls 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. The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Auditors' Responsibility

We have conducted an independent audit of the financial report in order to express an opinion on it to the members. No opinion is expressed as to whether the accounting policies used, and described in Note 1 are appropriate to the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. The audit opinion expressed in this report has been formed on this basis.

Independence

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

Emphasis of Matter


As stated in Note 1(a) in the directors opinion the company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared to meet Corporations Act, 2001 requirements.

Audit Opinion

In our opinion, the financial report of Intellect Design Arena Pty Ltd is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 31 March 2017 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.


FOSTER RAFFAN
Chartered Accountants


G D Wood, FCA
Partner
North Sydney, 19 April 2017.

INTELLECT DESIGN ARENA PTY LTD*Directors' Declaration*

In accordance with a resolution of the directors of Intellect Design Arena Pty Ltd pursuant to s295(5) of the Corporations Act 2001 in their opinion:

- (a) the financial statements of the company are in accordance with the Corporations Act, 2001 including:-
- (i) complying with Australian Accounting Standards to the extent described in Note 1, and
 - (ii) giving a true and fair view of the company's financial position as at 31 March 2016 and of its performance for the period ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors.



.....
Anil Verma
Director

Sydney 19 April 2017.

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C of the Corporations Act, 2001 to the directors of Intellect Design Arena Pty Ltd.

As lead auditor for the audit of Intellect Design Arena Pty Ltd for the period ended 31 March 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



G D Wood, FCA

Partner, Foster Raffan

Registered Company Auditor 4479

Liability is limited by the Accountants Scheme
under the Professional Standards Act 1994 (NSW)

North Sydney, 19 April 2017.

INTELLECT DESIGN ARENA PTY LTD
Statement of Comprehensive Income
for the period from incorporation to 31 March 2017

	Notes	2017 \$	2016 \$
Revenue from continuing operations		<u>405,005</u>	<u>-</u>
Operating Expenses			
Audit fee	8	2,000	2,000
Salary and wages		195,991	225,789
Superannuation		58,405	7,094
Professional fees		221,623	17,058
Travelling		15,280	16,548
Interest paid		5,687	608
Other		<u>188,220</u>	<u>13,803</u>
		<u>687,206</u>	<u>282,900</u>
(Loss) before income tax (page 11)		(282,201)	(282,900)
Income tax expense		<u>-</u>	<u>-</u>
(Loss) for the period		(282,201)	(282,900)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (loss) for the period (page 7)		<u>\$(282,201)</u>	<u>\$(282,900)</u>

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

INTELLECT DESIGN ARENA PTY LTD

Statement of Financial Position

for the period from incorporation to 31 March 2017

	Notes	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	2	79,848	183,489
Trade and other receivables	3	209,936	-
GST receivable		2,526	1,055
Prepayments		4,341	-
Other receivables	4	<u>478,546</u>	<u>319,437</u>
TOTAL CURRENT ASSETS		<u>775,197</u>	<u>503,981</u>
TOTAL ASSETS		<u>775,197</u>	<u>503,981</u>
CURRENT LIABILITIES			
Trade and other payables	5	174,422	33,839
Provisions	6	437,048	477,434
Loan payable	7	<u>628,828</u>	<u>175,608</u>
TOTAL CURRENT LIABILITIES		<u>1,240,298</u>	<u>686,881</u>
TOTAL LIABILITIES		<u>1,240,298</u>	<u>686,881</u>
NET LIABILITIES		<u>\$(465,101)</u>	<u>\$(182,900)</u>
Represented by:-			
Contributed equity	8	100,000	100,000
Accumulated losses		<u>(565,101)</u>	<u>(282,900)</u>
DEFICIENCY IN EQUITY		<u>\$(465,101)</u>	<u>\$(182,900)</u>

This Statement of Financial Position should be read in conjunction with the accompanying notes

INTELLECT DESIGN ARENA PTY LTD*Statement of Cash Flows**for the period from incorporation to 31 March 2017*

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers		232,285	-
Payments to suppliers and employees		(789,146)	(5,927)
Net cash outflow from operating activities		<u>(556,861)</u>	<u>(5,927)</u>
Cash flows from financing activities			
Contributed equity		-	100,000
Loans from related entities	7	<u>453,220</u>	<u>89,416</u>
Net cash inflow from financing activities		<u>453,220</u>	<u>189,416</u>
Net (decrease)/ increase in cash held		(103,641)	183,489
Cash – 1 April 2016		<u>183,489</u>	-
Cash – 31 March 2017	2	<u>\$79,848</u>	<u>\$183,489</u>

This Statement of cash flows should be read in conjunction with the accompanying notes.

*Statement of Changes in Equity**for the period from incorporation to 31 March 2017*

	<i>Attributable to equity holders of the Company</i>		
	<i>Contributed Equity</i> \$	<i>Accumulated Losses</i> \$	<i>Total Equity</i> \$
Balance at 27 October 2015			
Issued shares – 27 October, 2015	100,000	-	100,000
Total comprehensive loss for the year	-	(282,900)	(282,900)
Dividends	-	-	-
Balance at 31 March 2016	100,000	(282,900)	(182,900)
Total comprehensive loss for the year	-	(282,201)	(282,201)
Dividends	-	-	-
Balance 31 March 2017	<u>100,000</u>	<u>(565,101)</u>	<u>(465,101)</u>

This Statement of changes in equity should be read in conjunction with the accompany notes.

INTELLECT DESIGN ARENA PTY LTD*Notes to the Financial Statements*

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) SPECIAL PURPOSE**

This financial statement is a special purpose financial report as the company is not a reporting entity because there are no users dependent on general purpose financial reports. The financial statement has been prepared for distribution to the parent and to satisfy the Directors accountability requirements under the Corporations Act, 2001.

By virtue of Accounting Standard AASB 1025: Application of the Reporting Entity Concept and Other Amendments, the requirements of accounting standards issued by the Australian Accounting Standards Board do not have mandatory applicability to Intellect Design Arena Pty Ltd in relation to the period ended 31 March 2017 because the company is not a "reporting entity" as defined therein.

(b) ACCOUNTING POLICIES

The accounting policies used in the preparation of this report are described below:

(i) The accounts have been prepared using the accrual basis of accounting including the historical cost convention and the going concern assumption.

(ii) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(iii) Cash and cash equivalents

For the purpose of the presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call and other short term highly liquid investments with maturities of twelve months or less that are readily convertible to known amounts of cash.

INTELLECT DESIGN ARENA PTY LTD*Notes to the Financial Statements (continued)*

	2017	2016
	\$	\$
2. CASH AND CASH EQUIVALENTS		
Citibank a/c – AUD	79,213	158,728
Citibank a/c - USD	<u>635</u>	<u>24,761</u>
	<u>79,848</u>	<u>183,489</u>
3. TRADE AND OTHER RECEIVABLES		
Trade receivables	192,000	-
Salary advances	11,963	-
Other	793	-
Security deposits	<u>5,180</u>	<u>-</u>
	<u>209,936</u>	<u>-</u>
4. OTHER RECEIVABLES		
Loan to Intellect Design Arena (India)	477,344	225,000
Loan to Polaris Consulting Services (Australia)	<u>1,202</u>	<u>94,437</u>
	<u>478,546</u>	<u>319,437</u>
5. TRADE AND OTHER PAYABLES		
Trade payables and accruals	126,171	19,040
PAYG withholding tax	14,716	7,705
Super payable	14,255	7,094
Unearned revenue	<u>19,280</u>	<u>-</u>
	<u>174,422</u>	<u>33,839</u>
6. PROVISIONS		
Sales Incentives	182,048	127,434
Salaries	<u>255,000</u>	<u>350,000</u>
	<u>437,048</u>	<u>477,434</u>
7. LOAN PAYABLE		
Loan from Intellect Design Arena (Singapore)	181,295	175,608
Advance from Intellect Design Arena (Singapore)	<u>447,533</u>	<u>-</u>
	<u>628,828</u>	<u>175,608</u>
<p>The payable to the parent is subordinated to all third party debts of the Company by Deeds dated 31 March, 2017. There are no fixed terms of repayment.</p>		
8. CONTRIBUTED EQUITY		
Ordinary shares		
100,000 fully paid	<u>100,000</u>	<u>100,000</u>

INTELLECT DESIGN ARENA PTY LTD*Notes to the Financial Statements (Continued)*

	2017	2016
	\$	\$
9. AUDITORS' REMUNERATION		
Amounts provided for auditors:		
- audit of financial statements	1,000	1,000
- other services - preparation of statements	<u>1,000</u>	<u>1,000</u>
	<u>2,000</u>	<u>2,000</u>

10. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no significant events which have occurred subsequent to 31 March 2017.

11. COMPANY INFORMATION

- (a) The parent company is Intellect Design Arena Pte Ltd of Singapore which owns 100% of the issued ordinary shares (note 7). The ultimate holding company is Intellect Design Arena Limited, a company incorporated in India.
- (b) Registered office and principal place of business:-
Level 12, 31 Market Street
SYDNEY NSW 2000

INTELLECT DESIGN ARENA PTY LTD*Detailed Income Statement**for the period from incorporation to 31 March 2017*

	2017	2016
	\$	\$
REVENUE		
Fees received	365,920	-
FOREX	<u>39,085</u>	<u>(5,200)</u>
	405,005	(5,200)
EXPENDITURE		
Audit and other services (note 9)	2,000	2,000
Bank charges	5,127	739
Interest	5,688	608
Insurance	1,045	951
Marketing	2,500	3,525
Professional services	221,623	17,058
Rent	128,828	-
Sundry/Other	46,082	-
Telephone/Internet	4,637	1,953
Travelling	15,280	16,548
Wages & superannuation	<u>254,396</u>	<u>234,318</u>
	<u>687,206</u>	<u>282,900</u>
LOSS before income tax (page 5)	<u>\$282,201</u>	<u>\$282,900</u>