The background of the entire page is a photograph of a person standing on the edge of a dark, layered rock formation. The person is silhouetted against a bright, hazy sky at sunset or sunrise. In the distance, a vast range of blue mountains stretches across the horizon. The overall mood is one of achievement and expansive views.

The best views  
come from the  
hardest climbs

OneVue Annual Report 2020



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# DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to as 'OneVue') consisting of OneVue Holdings Limited (referred to as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2020.

## Directors

The following persons were Directors of OneVue Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Ron Dewhurst
- Stephen Knight
- Connie Mckeage
- Garry Wayling

## Principal activities

During the financial year the principal continuing activities of OneVue consisted of:

- Fund Services including Managed Fund and Super Member administration
- Platform admin including managed funds, managed accounts and administration services.

OneVue divested its Trustee Services business on 28 June 2019.

## Dividends

The Company has not recommended, declared or paid a dividend with respect to the year ended 30 June 2020 (2019: Nil).



## Review of financial results

OneVue adopted AASB 16 Leases during the year ended 30 June 2020 using the modified retrospective approach. Operating leases were capitalised onto OneVue's balance sheet and are now recognised as "Right-of-Use" assets and lease liabilities. Rental payments have effectively been recharacterised as Depreciation and Financing Costs. The modified retrospective approach means comparative results have not been adjusted. More information on the adoption of AASB 16 is contained in the notes to the full-year accounts. There is no change to the fundamental economic performance and cash generation of the business. The results shown immediately below are presented excluding the AASB16 impacts so that the results are directly comparable with the prior corresponding periods reported results.

### Impact of adoption of AASB16 on the Profit and Loss statement

The adoption of AASB16 has significantly increased the reported EBITDA and EBITDA margin for the year ended 30 June 2020. This is due to fixed lease costs being incorporated into a right of use lease asset and lease liability which will reduce over the remaining lease period. Occupancy expense reduced by \$1.9 million while the depreciation expense and interest expense increased by \$1.6 million and \$0.5 million respectively, with the loss before tax increasing \$0.2 million.

### Post adoption of AASB16

Year ended 30 June	2020 (\$'000) Pre AASB16	2020 (\$'000) Reported	Variance (\$'000)
<b>Continuing operations</b>			
<b>revenue</b>			
Services revenue	49,080	49,080	-
Operating expenses	(44,358)	(42,467)	1,891
<b>EBITDA*</b>	<b>4,722</b>	<b>6,613</b>	<b>1,891</b>
EBITDA margin %	9.6%	13.5%	390 bps
Depreciation and amortisation	(4,666)	(6,289)	(1,623)
Net interest received (paid)	(371)	(844)	(473)
Share based payments	(1,294)	(1,294)	-
Loss before tax and non-recurring items	(1,609)	(1,814)	(205)
Non recurring items	(1,146)	(1,146)	-
Deferred consideration receivable provision expense	(26,065)	(26,065)	-
<b>Loss before tax</b>	<b>(28,820)</b>	<b>(29,025)</b>	<b>(205)</b>
Tax benefit	454	454	-
<b>Loss after tax</b>	<b>(28,366)</b>	<b>(28,571)</b>	<b>(205)</b>



## Pre adoption of AASB16

Year ended 30 June	2020 (\$'000) Pre AASB16	2019 (\$'000)	Variance (\$'000)	Change %
<b>Continuing operations</b>				
<b>revenue</b>				
Services revenue	49,080	49,621	(541)	(1.1%)
Operating expenses	(44,358)	(45,159)	801	1.8%
<b>EBITDA*</b>	<b>4,722</b>	<b>4,462</b>	<b>260</b>	<b>5.8%</b>
EBITDA margin %	9.6%	9.0%	60 bps	0.6%
Depreciation and amortisation	(4,666)	(4,590)	(76)	(1.7%)
Net interest (paid) received	(371)	21	(392)	
Share based payments	(1,294)	(20)	(1,274)	
Loss before tax and non-recurring items	(1,609)	(127)	(1,482)	
Non recurring items	(1,146)	(8,649)	7,503	86.7%
Deferred consideration receivable provision expense	(26,065)	-	(26,065)	(100%)
<b>Loss before tax</b>	<b>(28,820)</b>	<b>(8,776)</b>	<b>(20,044)</b>	<b>(228.4%)</b>
Tax benefit	454	727	(273)	(37.6%)
<b>Discontinued operations</b>				
Net profit from Discontinued Operations	-	9,420	(9,420)	(100%)
<b>Profit (Loss) after tax</b>	<b>(28,366)</b>	<b>1,371</b>	<b>(29,737)</b>	
<b>Adjusted NPATA ^</b>	<b>1,712</b>	<b>1,486</b>	<b>226</b>	<b>15.2%</b>

### NOTE:

\* EBITDA represents earnings from Continuing Operations before interest, tax, depreciation and amortisation excluding non-recurring items and share-based payments

^ Adjusted NPATA is NPAT from Continuing Operations before acquired amortisation and excludes non-recurring items, non-cash share-based payments and Discontinued Operations. The Directors consider it to be an important measure of the underlying cash generating earnings of the business

### Non recurring items

Year ended 30 June	2020 (\$'000)	2019 (\$'000)	Change %
Acquisition and integration related expenses	(1,146)	(1,979)	42.1%
Fair value adjustment on contingent consideration	-	(3,183)	100%
Impairment of intangibles	-	(2,372)	100%
Interest discount on contingent consideration	-	(1,115)	100%
<b>Total non-recurring items</b>	<b>(1,146)</b>	<b>(8,649)</b>	<b>86.7%</b>

## RESULTS BY BUSINESS (Pre AASB16)

Year ended 30 June	2020 (\$'000) PRE AASB16	2019 (\$'000)	Change %
<b>Continuing operations revenue</b>			
Fund Services			
■ Managed Fund admin	16,454	16,132	2.0%
■ Super Member admin	15,734	16,222	(3.0%)
Total Fund Services	32,188	32,354	(0.5%)
Platform Services	18,402	18,592	(1.0%)
Corporate (eliminations)	(1,510)	(1,324)	(14.1%)
<b>Revenue from continuing operations</b>	<b>49,080</b>	<b>49,621</b>	<b>(1.1%)</b>
Revenue from discontinued operations	-	7,832	(100%)
<b>Total revenue</b>	<b>49,080</b>	<b>57,453</b>	<b>(14.6%)</b>
<b>EBITDA*</b>			
Fund Services	6,762	6,404	5.6%
Platform Services	2,683	2,636	1.8%
Corporate (including eliminations)	(4,723)	(4,578)	(3.2%)
<b>EBITDA* from continuing operations</b>	<b>4,722</b>	<b>4,462</b>	<b>5.8%</b>
EBITDA from discontinued operations	-	2,582	(100%)
<b>Total EBITDA*</b>	<b>4,722</b>	<b>7,044</b>	<b>(33.0%)</b>

### NOTES:

\* EBITDA represents earnings before interest, tax, depreciation and amortisation excluding non-recurring items and share-based payments.

Revenues from continuing operations decreased 1% to \$49.1 million, as the company was impacted slightly by the market volatility in the second half of the financial year, lower interest rates and the new Protect Your Super (PYS) legislation.

Operating expenses pre the AASB 16 adjustment from continuing operations decreased by 2% to \$44.4 million reflecting lower project activity levels and tight cost management.

EBITDA pre AASB 16 increased by 6% with EBITDA margin improving by 7% due to continuing scale benefits.

Depreciation and amortisation expense pre the AASB 16 adjustment of \$4.7 million was down slightly (2%) on the prior corresponding period.

Interest paid in the current period was due to loans and borrowings.

Share based payments in the current period of \$1.3 million represent rights issued during the period to Key Management and employees under the OneVue Holdings Limited Short and Medium Term Incentive Plan.

Acquisition and integration related expenses in the period mainly relate to restructuring the group following the Trustee business divestment. The fair value adjustment on contingent consideration in the prior corresponding period relates to the KPMG Super acquisition and the difference between the initial value assessed at 30 June 2018, and the discounted final consideration amount paid.

The deferred consideration receivable provision expense of \$26.1 million relates to the amount outstanding from the sale of the Trustee Services business (see note 6 (c)).

The consolidated net loss after tax attributable to the members of the group was \$28.5 million, compared to the profit after tax of \$1.4 million in the prior corresponding period.

Adjusted NPATA which represents net profit after tax adjusted for amortisation arising from acquisition related intangible assets, a proxy for underlying cash profitability, was up by 15% to \$1.7 million.

## Fund Services

Year ended 30 June	2020 (\$'000)	2019 (\$'000)	Change %
<b>Continuing operations</b>			
<b>revenue</b>			
Managed Fund admin	16,454	16,132	2.0%
Super Member admin	15,734	16,213	(3.0%)
Total fund services revenue	32,188	32,354	(0.5%)
Operating expenses	(25,427)	(25,949)	2.0%
<b>EBITDA pre AASB 16</b>	6,762	6,404	5.6%
EBITDA margin %	21.0%	19.8%	120bps
<b>EBITDA reported</b>	7,416	6,404	15.8%
EBITDA margin %	23.0%	19.8%	320bps

Revenue growth from new clients of \$1.2 million was offset by a \$0.6 million decrease in project fees as well as the impacts of the new PYS legislation and lower pricing on a major contract renewal in the prior corresponding period in the Super Member Administration business.

Operating expenses were \$0.5 million lower (2%) than the prior corresponding period due to lower project activity levels and higher costs in the prior corresponding period related to the KPMG acquisition.

EBITDA pre AASB 16 adjustment of \$68 million was up by \$0.4 million from the prior corresponding period with margins increasing by 120 basis points to 21.0%, reflecting the increasing operating scale.

**OneVue's market leading Managed Fund Administration** business experienced a 2% increase in items processed, processing a record number of items in the period of 687,666. This growth was driven by a combination of new clients and continuing organic growth. OneVue transitioned new fund managers taking the total to 59 managers.

The period has generated significant new business opportunities which provide a strong pipeline for further growth. OneVue continues to capitalise on the industry trend to outsource to specialist providers.

**Super Member Administration** administers 35 funds, with 147,889 members and FUA at June 30 2020 reached \$5.6 billion, an increase of \$0.3 billion (6%) on the prior corresponding period.

Member numbers were 6% lower than the prior corresponding period, impacted by the first-time application of the PYS transfers to the ATO of small balance inactive accounts.

The business continues to focus on integration and automation in the current financial year to support further growth and margin expansion.





## Platform Services

Year ended 30 June	2020 (\$'000)	2019 (\$'000)	Change %
Continuing operations revenue			
<b>Total Platform Services revenue</b>	18,402	18,592	(1.0%)
Operating expenses	(15,719)	(15,956)	1.5%
<b>EBITDA pre AASB 16</b>	2,683	2,636	1.8%
EBITDA margin %	14.6%	14.2%	40 bps
<b>EBITDA Reported</b>	<b>3,503</b>	<b>2,636</b>	<b>32.9%</b>
EBITDA margin %	19.0%	14.2%	490 bps

Revenues were impacted by lower cash levels held on platform and the Reserve Bank of Australia interest rate adjustments over the financial year. This reduced revenue by \$2.9 million but had minimal impact to margin. Revenue growth from increased FUA including new clients of \$1.1 million was partly offset by the impact of lower project revenues of \$0.3 million.

Operating expenses were \$0.2 million lower (3%) than prior comparative period reflecting lower cost of sales and project activities.

EBITDA pre AASB 16 adjustment of \$2.7 million was in line with the prior corresponding period, with EBITDA margin improving by 40 basis points.

Platform Services FUA (Funds Under Administration) of \$5.7 billion was up 2% on the prior corresponding period. Annual net inflows (adjusted for Covid-19 early release added \$0.6 billion in the financial period).

Platform Services has an unprecedented number of new business opportunities with Investment Gateway and is continuing to set the foundations for ongoing growth.

## Corporate

Costs of \$4.7 million, which cover costs of the listed entity (including audit, tax and insurance), Director fees and central corporate services provided to the operating divisions including HR, IT, Risks, Compliance, Finance and Marketing, were up 3% on the prior corresponding period.

## Cash flow

### Includes Discontinued Operations

Year ended 30 June	2020 (\$'000)	2019 (\$'000)	Change (\$'000)
EBITDA	4,722	7,046	(2,324)
Non-cash items in EBITDA	66	(432)	498
Changes in working capital	(349)	(1,840)	1,491
Interest (paid)	(371)	(583)	212
Underlying operating cash flow	4,068	4,191	(123)
Non-recurring costs	(1,803)	(2,169)	366
<b>Operating cash flow</b>	<b>2,265</b>	<b>2,022</b>	<b>243</b>
Divestments (net of cash disposed)	4,116	6,570	(2,454)
Acquisitions (net of cash acquired)	(1,551)	(10,334)	8,783
Payments for intangibles	(6,507)	(5,023)	(1,484)
Payments for PPE	(346)	(131)	(215)
<b>Net cash used in investing activities</b>	<b>(4,288)</b>	<b>(8,918)</b>	<b>4,630</b>
Proceeds from share issues	468	610	(142)
Proceeds (repayment) of borrowings (net)	5,566	(2,510)	8,076
<b>Net movement in cash</b>	<b>4,011</b>	<b>(8,796)</b>	<b>12,807</b>

Underlying operating cash flow of \$2.3 million was down \$0.1 million on the prior period. Working capital in the prior corresponding period was impacted by acquisitions. Interest paid is due to loans and borrowings, whilst the interest paid in the prior corresponding period related to the Trustee Services business. Non-recurring costs paid in the period mainly relate to the restructuring of the group following the Trustee business divestment

Divestments of \$4.1m in the current period relate to the Sargon receivable (see note 6(c)). The prior year corresponding amount reflects the \$12 million of cash from the sale of the Trustee business, less the net cash which was divested with the business.

Acquisition payments of \$1.5 million in the current period include the final contingent consideration due on the KPMG Super and NMPE acquisitions. The prior corresponding period amount relates to contingent consideration for the KPMG Super Member admin acquisition.

Payment for intangibles was \$1.5 million higher than the previous corresponding period due to increased project development investment to enhance functionality of product offerings, increased automation and software integration and client establishment costs.

Proceeds from borrowings in the current period includes the drawdown of a new \$6 million facility, which enabled the payment of the \$1.5 million of contingent consideration and provides additional funding liquidity and working capital. Proceeds from share issues are repayments of limited recourse loans by staff over shares issued.



## Financial position

As at	30 June 2020 (\$'000)	30 June 2019 (\$'000)	Change (\$'000)	Change %
Cash and cash equivalents	14,619	10,608	4,011	37.8%
Loans and borrowings	(6,104)	(394)	(5,710)	
<b>Net cash</b>	<b>8,515</b>	<b>10,214</b>	<b>(1,699)</b>	<b>(16.6%)</b>
Deferred consideration receivable	-	29,925	(29,925)	(100%)
Other current assets	7,873	8,431	(558)	(6.6%)
Intangible assets	63,342	61,664	1,678	2.7%
Right-of-use assets (AASB 16)	4,247	-	4,247	100%
Other non-current assets	2,585	2,303	282	12.2%
Trade and other payables	(10,673)	(12,837)	2,164	16.9%
Contingent consideration	-	(1,732)	1,732	100%
Other current liabilities	(3,307)	(3,162)	(145)	(4.6%)
Interest-bearing lease liabilities (AASB 16)	(5,437)	-	(5,437)	(100%)
Other non-current liabilities	(339)	(847)	508	60.0%
<b>Total equity</b>	<b>66,806</b>	<b>93,959</b>	<b>(27,153)</b>	<b>(28.9%)</b>

Net cash reduced by \$1.7 million during the period, with positive operating cash flows offset by cash utilised in investing activities (see cash flow analysis above).

The deferred consideration receivable in the prior corresponding period relates to the sale of the Trustee Services business (Refer note 6 (c)).

Intangible assets increased by \$1.7 million over the prior corresponding period due to software development and integration and client establishment costs.

The increase in the Right-of-use assets, Other current liabilities and Interest-bearing lease liabilities relates to the adoption of AASB 16 Leases during the period. (Refer note 29.1)

Trade and other payables reduced by \$2.1 million in the period due to working capital movements.

Contingent consideration in the prior corresponding period relates to the amounts payable on the acquisition of KPMG Super and No More Practice Education.

## Environmental regulation

OneVue is not subject to any significant environmental regulation under Australian Commonwealth or State law.

## Events subsequent to balance date

On 1 June 2020 OneVue entered into a binding Scheme Implementation Agreement (SIA) with Iress Limited (Iress) under which it is proposed that Iress will acquire 100% of the shares in OneVue by way of a Scheme of Arrangement (Scheme) at a consideration of \$0.40 cash per share.

It is anticipated that the Scheme Booklet in relation to the proposed Scheme will be sent to OneVue shareholders in early September 2020 and that OneVue shareholders will meet to vote on the Scheme in early October 2020.

On 17 July 2020 OneVue and Iress agreed to extend the end date defined in the SIA to 31 December 2020.

## Changes in the state of affairs

During the financial year there was no significant change in the state of affairs of OneVue other than as previously described in the Directors' Report.

## Future developments

Apart from matters disclosed elsewhere in this Directors' Report, disclosure of information regarding likely developments in the operations of OneVue in future financial years, and the expected results of those operations is likely to result in unreasonable prejudice to OneVue. Accordingly, this information has not been disclosed in this report.



# INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

NAME	RON DEWHURST
TITLE	Non-Executive Director and Chair
QUALIFICATIONS	Fellow, Finsia
EXPERIENCE AND EXPERTISE	Ron has held senior leadership roles in the investment banking and asset management industries over a 40 plus year career. Ron brings his extensive experience in M&A and global wealth management in public companies to the Board.
OTHER CURRENT DIRECTORSHIPS AND EXECUTIVE POSITIONS	Chief Executive Officer, Executive Chairman and Director of Cooper Investors Pty Ltd, Chairman and Non-Executive Director of Sprott Inc, Rhinomed Ltd and Unscript'd Limited and Non-Executive Director of LGIAsuper.
FORMER DIRECTORSHIPS (LAST 3 YEARS)	None
BOARD RESPONSIBILITIES	Chairman of the Board of Directors of OneVue, member of the Human Resources, Nomination and Remuneration Committee (HRNRC) and Audit, Risk Management & Compliance Committee (ARMCC).

NAME	STEPHEN KNIGHT
TITLE	Non-Executive Director
QUALIFICATIONS	BA, FAICD
EXPERIENCE AND EXPERTISE	Stephen has more than 40 years of senior executive and Board experience in the financial services industry with a particular focus on the investment management, capital markets and government sectors. Stephen's deep understanding of finance and risk along with his extensive experience in the wealth and superannuation industry makes him a valuable member of the Board.
	Chair and Non-Executive Director of ASX Clear Pty Limited and ASX Settlement Pty Limited, Non – Executive Director ASX Clearing Corporation Limited, ASX Clear (Futures) Pty Limited, ASX Settlement Corporation Limited and Austraclear Limited. Independent Chair of the National Housing Finance Investment Corporation Bond Issuance Due Diligence Committee, Director of the Sydney Financial Forum and FIIG Securities Ltd and Member of the Primary Ethics Investment Committee and the Australian Office of Financial Management Audit and Risk Committee.
FORMER DIRECTORSHIPS (LAST 3 YEARS)	None
BOARD RESPONSIBILITIES	Chair of the HRNRC and member of ARMCC

NAME	CONNIE MCKEAGE
TITLE	Managing Director
QUALIFICATIONS	Dip Arts & Science
EXPERIENCE AND EXPERTISE	Connie has more than 36 years of experience in asset management, broking, consulting and business leadership roles. With her deep understanding of the wealth and superannuation industry and expertise in outsourcing management, M&A and technology implementation.
OTHER CURRENT DIRECTORSHIPS AND EXECUTIVE POSITIONS	Non-Executive Director of OneVentures Pty Ltd and Aikenhead Centre for Medical Discovery and a trustee of the Mckeage Cole Foundation
FORMER DIRECTORSHIPS (LAST 3 YEARS)	None
BOARD RESPONSIBILITIES	Managing Director

NAME	GARRY WAYLING
TITLE	Non-Executive Director
QUALIFICATIONS	BCom, GAICD, ACA
EXPERIENCE AND EXPERTISE	Garry has more than 40 years of accounting and business leadership experience in a professional services career, primarily in external audit and advisory roles with Arthur Andersen and then Ernst and Young (EY) in the Strategic Growth Markets Group where he was the EY Oceania Markets IPO leader. He brings to the Board extensive expertise in accounting and financial reporting along with his valuable experience in advising listed growth companies.
OTHER CURRENT DIRECTORSHIPS AND EXECUTIVE POSITIONS	Non-Executive Director Inabox Group Limited, Director of Eaton Vance Australia Pty Ltd, Odyssey House NSW, IGP Holdings Pty Ltd and Executive Director, Australian Olympic Foundation
FORMER DIRECTORSHIPS (LAST 3 YEARS)	
BOARD RESPONSIBILITIES	Chair of the ARMCC, member of HRNRC

Former Directorships above are for listed entities only and excludes Directorships of all other types of entities, unless otherwise stated.

## Company Secretary

Ashley Fenton is a Fellow of the Institute of Chartered Accountants in Australia (FCA) and has held senior finance leadership positions with ASX listed companies (including Salmat Limited, Fairfax Media Limited and Cable and Wireless Optus Limited) and has also been a Company Secretary of ASX listed entities.



## Meeting of Directors

The number of meetings of the company's Board of Directors (the Board) and each Board Committee held during the year ended 30 June 2020. Some meetings were postponed due to COVID-19, resulting in less meetings for FY20. Director attendance at meetings which were held is set out below.

	ONEVUE HOLDINGS LTD BOARD		HRNRC		ARMCC	
	Attended	Possible Meetings*	Attended	Possible Meetings*	Attended	Possible Meetings*
<b>DIRECTOR</b>						
Ron Dewhurst	8	8	4	4	4	4
Stephen Knight	8	8	4	4	5	5
Garry Wayling	8	8	4	4	5	5
Connie Mckeage	8	8	-	-	-	-

**NOTE:**

\* Represents the number of meetings possible to attend during the time the Director held office or was a member of the relevant Board Committee.

# HRNRC CHAIR'S LETTER

Dear Shareholders,

On behalf of the Board of OneVue I am pleased to present the 2020 Remuneration Report.

## 2020 Remuneration

OneVue has continued to grow contribution from its core businesses of Fund Services and Platform Services during an extraordinary and challenging year. In particular, two significant events presented additional challenges for OneVue's leadership team and for the staff in general –

- The impact of COVID-19 on OneVue's operational environment and that of our customers
- The ongoing efforts to recover monies owed to OneVue from the sale of the Trustee business in 2019.

The staff and management of OneVue performed admirably throughout these challenges and continued to deliver excellent service for our growing range of clients. Notwithstanding the significant financial impact on OneVue from the write down of the receivable from the Trustee sale, Key Management Personnel (KMP) have continued to drive strong EBITDA contribution from the businesses. In an environment where the base salaries of some key KMP are modest compared with market, OneVue has sought to recognise the contributions of key personnel with the Short and Medium Term Incentive Plan (SMTIP) through a combination of cash and equity rights. In the Remuneration Report we look in more detail at the remuneration received by KMP in 2020.

## 2021 Outlook

On 1 June 2020 OneVue entered into a binding Scheme Implementation Agreement with IRESS Ltd, under which it is proposed that IRESS will acquire 100% of the shares in OneVue. As a result, OneVue's approach towards remuneration in 2021, particularly for KMP, will encompass this anticipated change of control. If this expected change of control does not occur, the Board will consider what further improvements to remuneration governance, policies and practices could be made, and will provide updates in future remuneration reports.

OneVue's KMP remuneration framework continues to be based on a foundation of Group and Business Unit financial gateways and individual contributions with a focus on the medium to long term. We believe our approach embraces a strong awareness of conduct risk to drive the intended cultural, professional and ethical behaviour in the best interest of shareholders, staff, and clients.

On behalf of the Board I thank our shareholders for their support throughout the year.



**Stephen Knight**

HRNRC Chair



# REMUNERATION REPORT – AUDITED

## KMP information

This audited Remuneration Report has been prepared in accordance with the requirements of s 300A of the *Corporations Act 2001 (Cth)*. It outlines the remuneration arrangements in place during 2020 and the outcomes achieved for OneVue's KMP during that period.

OneVue's KMP are those people who have a meaningful capacity to shape and influence the group's strategic direction and performance through their actions, either collectively (in the case of the Board) or as individuals acting under delegated authorities (in the case of the MD and her direct reports).

The names and positions of the individuals who were KMP during 2020 are set out in the table below.

### KMP – NON EXECUTIVE DIRECTORS

KMP Non-Executive Directors		Period
Ron Dewhurst <sup>1</sup>	Chair of the OneVue Board, member of the Audit Risk Management and Compliance Committee (ARMCC) and Human Resource, Nomination and Remuneration Committee (HRNRC) <sup>2</sup>	6 October 2016 to present
Garry Wayling	Chair ARMCC and member of HRNRC <sup>3</sup>	7 February 2014 to present
Stephen Knight <sup>4</sup>	Chair HRNRC and member of ARMCC	26 August 2016 to present

### KMP – EXECUTIVES

KMP – Executive Director		Period
Connie Mckeage	Managing Director (Chief Executive Officer)	From January 2007 to present
KMP – Executives		
Ashley Fenton	CFO, COO and Company Secretary	29 April 2015 to present
Richard Harris-Smith	Deputy Group CEO,	1 February 2016 to present
	CEO Fund Services	1 February 2016 – 30 October 2019
	CEO Fund & Platform Services	1 November 2019 to present
Lisa McCallum	Executive General Manager, Platform Services and Head of ERM	9 April 2010 to present
	EGM, Strategic Partnerships	1 November 2019 to present

#### NOTES:

<sup>1</sup> Appointed Chair on 23 November 2017

<sup>2</sup> Member of ARMCC and HRNRCC from 28 June 2019

<sup>3</sup> Member of HRNRC from 28 June 2019

<sup>4</sup> Appointed Chair HRNRC on 28 June 2019

## Five-year performance summary

In considering OneVue's performance the Board has regard to the following financial results with respect to the current year and previous financial years. These results include both the Continuing and Discontinued Operations:

YEAR ENDED	2020	2019	2018	2017	2016
Revenue – continuing operations (\$'000)	49,080	49,621	36,682	40,876	26,636
Revenue – discontinued operations (\$'000)	-	7,832	12,438	-	-
Total revenue (\$'000)	49,080	57,453	49,120	40,876	26,636
EBITDA <sup>1</sup> - continuing operations (\$'000)	4,722	4,462	2,804	4,508	(1,216)
EBITDA <sup>1</sup> - discontinued operations (\$'000)	-	2,582	4,744	-	-
Total EBITDA <sup>1</sup> (\$'000)	4,722	7,044	7,548	4,508	(1,216)
Net (loss) profit after tax (\$'000)	(28,571)	1,371	7,139	209	(4,007)
Total basic earnings per share (eps)	(10.68)	0.52	2.70	0.08	(2.21)
Total diluted earnings per share (EPS)	(10.66)	0.52	2.70	0.08	(2.21)

### NOTES:

<sup>1</sup> EBITDA represents earnings before interest, tax, depreciation and amortisation excluding non-recurring items and share-based payments. EBITDA is presented pre adoption of AASB16.

## EXECUTIVE KMP REMUNERATION

### Remuneration and incentive principles

OneVue's remuneration strategy is designed to attract, motivate and retain employees by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the Company.

To this end, key objectives of the Company's reward framework are to ensure that its remuneration practices:

- are aligned to the long-term success of the Company and the Company's business strategy and shareholder interests
- offer market competitive total remuneration packages designed to reward outperformance
- provide strong alignment between individual and Company performance.



## KMP remuneration framework

The executive remuneration framework, which includes the Short and Medium Term Incentive Plan (SMTIP) was approved by shareholders at the Company's Annual General Meeting held 29 November 2018, and consisted of the following components:

- fixed remuneration and
- eligibility for variable remuneration via:
  - short-term incentives (STI) and
  - medium-term incentives (MTI).

Key elements of the remuneration structure are:

- remuneration and other terms of employment are formalised in employment contracts
- senior fixed remuneration levels are in line with relevant market benchmarks
- no termination benefits are payable under employment contracts
- fixed remuneration may be received in the form of base salary, superannuation and non-monetary benefits
- a proportion of remuneration consists of longer-term incentives, which are at risk.

### Fixed remuneration

The level of fixed remuneration for the Managing Director and the KMPs is reviewed annually by the HRNRC taking into account the overall performance of OneVue, individual performances and comparable market remuneration trends and, where appropriate, external advice on policies and practices.

### Variable remuneration

The Company's KMP and senior executive remuneration strategy for the 2019 financial year included both STI and MTI plans which continued into the 2020 financial year. The objective of the incentive plans is to focus executives on achieving individual and business goals that contribute to sustained shareholder value, and in the case of the MTI, rewards were linked to the gateways and long-term financial performance and shareholder returns over a three year or more period.

Achievement of any STI and MTI awards is linked to gateways of financial and business performance of OneVue relative to Corporate strategic objectives and budgets as determined by the Board. All awards are discretionary.

## OUTCOMES

### STI awards

#### SMTIP

The SMTIP was implemented progressively over two years, with the maximum STI and MTI opportunities to apply in FY 2019 at half the rate of the incentive opportunities with full rate to then apply going forward for all participants, including the MD, from FY 2020. SMTIP enabled the reward of staff and KMP with the grant of rights over the issue of fully paid ordinary shares (Rights) subject to vesting conditions as determined by the Board.

During FY20 the Company granted Rights under SMTIP to KMP and senior executives of the Company, in recognition of their significant contributions to the growth of OneVue's business over an extended period of time and in recognition of historical salary packages significantly under peers benchmark. The terms of the rights reflect the one off nature of the adjustment.

A summary of the Rights issued are set out below.

<b>Vesting Date</b>	Immediately
<b>Service Condition</b>	None
<b>Vesting Conditions</b>	None. The Rights vest immediately from the Grant Date.
<b>Measurement Period</b>	N/A
<b>Term of Rights</b>	5 years from the Grant Date. Rights not exercised within the Term lapse.
<b>Grant Date</b>	15 July 2019
<b>Exercise Period</b>	5 years from 15 July 2019, exercisable at any time during the period
<b>Exercise Price</b>	\$0.00
<b>Expiry Date</b>	14 July 2024 (5 years from the Grant Date)
<b>Disposal Restrictions</b>	Rights may not be disposed of or otherwise dealt with while they remain as Rights, i.e. prior to exercise. Shares that result from the exercise of Rights are subject to disposal/trading restrictions set out in the Company's Share Trading Policy, including the prohibition on trading during the Company's closed periods.

The details of KMP awarded Rights in FY20 are set out below.

<b>KMP</b>	<b>Value of Offer</b>	<b>Rights Offered</b>	<b>Issued</b>	<b>Conversion Factor (VWAP)<sup>1</sup></b>
Ashley Fenton	\$ 325,000	809,465	809,465	0.4015
Richard Harris-Smith	\$ 250,000	622,665	622,665	0.4015
Lisa McCallum	\$ 100,000	249,066	249,066	0.4015

<sup>1</sup> VWAP calculated on OVH share price 10-day weighted value between 1- 12 July 2019.

## LTI awards

### Grant of rights to Connie Mckeage

At the Annual General Meeting held 29 November 2018, shareholders approved the grant to Connie Mckeage, Managing Director, pursuant to the Long Term Incentives and Rights Plan (LTI) (current plan at that time and predecessor to SMTIP) an award of 306,147 Rights. The Rights granted were to the value of \$250,000 calculated with a VWAP of \$0.8166 with a 12 month vesting period, exercisable at \$0.00. These Rights were awarded in light of Connie Mckeage voluntarily forfeiting:

1. 348,866 Restricted Rights in lieu of a salary sacrifice arrangement and 479,000 Performance Rights which had been approved by shareholders at the 2015 Annual General Meeting;
2. 357,846 Restricted Rights in lieu of a salary sacrifice arrangement and 322,554 Performance Rights (subject to a 3-year measurement period for vesting) approved by shareholders in favour of a cash-based salary increase payment of \$24,000 and a cash bonus of \$25,000 (including superannuation) at the 2017 Annual General Meeting.

The 306,147 Rights were exercised by Connie Mckeage on 14 July 2019 and 306,147 ordinary fully paid shares were allotted and issued to Connie Mckeage with a \$0.00 exercise price.





## Performance rights granted to Connie Mckeage

The award of 284,865 Performance Rights was approved by shareholders at the Annual General Meeting on 24 November 2016. These 284,865 unlisted and unvested Performance Rights were issued to Connie Mckeage, Managing Director, on 29 August 2017 pursuant to the LTI Plan. These Rights were due to expire on 30 August 2022, exercisable at \$0.00. These Performance Rights were subject to performance conditions being the achievement of performance relative to the vesting condition of an indexed Total Shareholder Return (TSR) for the Company versus the All Ordinaries Accumulation Index (AOAI) over a 3-year measurement period from the first day of 2017 financial year to the last day of 2019 financial year.

The performance conditions were not met in FY19 and the Performance Rights were lapsed in FY20.

## Details of LTI and SMTIP awards outstanding at year end

There were no Rights outstanding at end of FY20 and all LTI and SMTIP Rights were exercised or lapsed during FY20.

### LTI Rights

LTI Rights relevant to Connie Mckeage were resolved as follows:

Holder	Security Type	Grant Date	Exercisable at 30 June 2020 (%)	Expiry Date	30 June 2020 Outstanding Rights	Exercise Price (\$)
Connie Mckeage	284,865 <sup>1</sup> Performance Rights	29 August 2017	0 Performance Rights Lapsed 19 September 2019	30 Aug 2022	0	0.00
Connie Mckeage	306,147 <sup>2</sup> Rights	18 July 2019	0 Exercised 30 August 2019	18 July 2023	0	0.00

#### NOTE:

- 1 Calculated on VWAP of \$0.6898 being the OVH share price in which ordinary fully paid shares were traded on the ASX over the two weeks (10 business days) following the announcement of FY16 results.
- 2 Calculated on the VWAP of the OVH share price in which ordinary fully paid shares were traded on the ASX over the two weeks (10 business days) prior to 1 July 2018

## SMTIP Rights

The number of Rights over fully paid ordinary shares in the Company held during FY20 by a member of KMP, including Connie McKeage, and KMP related parties is set out below. All such Rights were exercised and ordinary fully paid shares were issued to KMP were issued as set out in the table below.

Non-Executive Directors are not eligible to participate in SMTIP or any incentive plan.

Rights over ordinary fully paid shares	Rights opening balance FY20	Rights awarded in FY20	Received as part of remuneration	Additions	Exercised in FY20	Exercised price	Closing balance
<b>Rights</b>							
Connie McKeage	-	306,147	Y	-	306,147 <sup>1</sup>	\$0.00	-
Ashley Fenton	-	809,465	Y	-	809,465	\$0.00	-
Richard Harris-Smith	-	622,665	Y	-	622,665	\$0.00	-
Lisa McCallum	-	249,066	Y	-	249,066	\$0.00	-
<b>Performance rights</b>				-			-
Connie McKeage	284,865		N	-	Lapsed <sup>2</sup>		-
<b>Total rights</b>	<b>284,865</b>	<b>1,987,343</b>	<b>-</b>	<b>-</b>	<b>1,987,343</b>	<b>\$0.00</b>	<b>-</b>

### NOTE:

<sup>1</sup> On 30 August 2019, 306,147 fully paid ordinary shares were issued to Connie McKeage upon exercise of 306,147 Rights granted on 18 July 2019, having been approved by shareholders at the AGM held 20 November 2018.

<sup>2</sup> 284,865 Performance Rights lapsed on 19 September 2019.

## Executive KMP remuneration

Details of the nature and amount of each element of the total remuneration of each member of the KMP for the years ended 30 June 2020 and 2019 are set out in the following tables.

KMP	FY	Salary and fees <sup>1,2</sup> (\$)	Bonus <sup>4</sup> (\$)	Super contrib. (\$)	Long service leave <sup>3</sup> (\$)	Amort exp. <sup>5</sup> (\$)	Termination pay (\$)	Total (\$)	Performance related <sup>6</sup> (%)
Connie Mckeage	2020	181,478	75,000 <sup>8</sup>	19,561	4,242	120,928	-	401,209	49
	2019	276,942	-	20,531	20,640	20,468	-	338,581	6
Ashley Fenton	2020	304,797	75,000 <sup>8</sup>	24,996	7,306	319,738	-	731,838	54
	2019	329,379	20,000	24,949	5,147	-	-	379,475	5
Richard Harris-Smith	2020	288,658	-	23,020	6,947	245,953	-	564,578	44
	2019	268,688	20,000	21,717	5,594	-	-	315,999	6
Lisa McCallum	2020	246,034	-	21,000	5,461	98,381	-	370,876	27
	2019	226,190	-	20,531	3,781	-	-	250,502	-
James Thorpe <sup>7</sup>	2020	-	-	-	-	-	-	-	-
	2019	188,264	-	17,110	3,081	-	94,596	303,051	-
Total	2020	1,020,967	150,000	88,577	23,956	785,000	-	2,068,501	38
	2019	1,289,463	40,000	104,838	38,243	20,468	94,596	1,587,608	3

### NOTES:

<sup>1</sup> KMP salary and fees includes fixed remuneration and movement in annual leave entitlement.

<sup>2</sup> Includes the cost to the business of any non-cash business benefits provided.

<sup>3</sup> Comprises long-service leave accrued during the year.

<sup>4</sup> Represents cash bonus paid for the 2020 financial year.

<sup>5</sup> Relates to the amortisation booked during the year for Restricted Rights and Performance Rights.

<sup>6</sup> Calculated as STI plus amortisation of Rights, as a proportion of total remuneration.

These two elements represent the at-risk and discretionary amounts payable which will vary depending on the financial performance of the company. These amounts are in addition to the fixed remuneration.

<sup>7</sup> James Thorpe's employment ceased on 23 April 2019

<sup>8</sup> \$75,000 in cash bonus for Connie Mckeage and Ash Fenton was approved by the OneVue Board in recognition of the substantial efforts and achievements throughout 2019 and into 2020 beyond the performance of the OneVue core businesses. These efforts included substantial time and effort in completing a number of transactions in-house, thereby saving shareholders and the business substantial expenses. Transactions included the acquisition of KPMG Super and No More Practice Education, and the divestments of the RE and SMSF Administration businesses. It also included the sale of the Trustee business which was completed in June 2019, at which time no one could have anticipated the ongoing matters which have had to be managed.

## Shareholding

The number of shares in the Company held during the financial year by the Executives is set out below.

Executive	Opening balance	Received as part of remuneration	Additions	Disposals/ other	Closing balance
<b>Ordinary Shares</b>					
Connie Mckeage <sup>1</sup>	37,106,028	-	464,647	-	37,570,675
Ashley Fenton	400,000	809,465	-	(706,999)	502,466
Richard Harris-Smith	250,000	622,665	-	(40,000)	832,665
Lisa McCallum	2,563,338	249,066	25,000	-	2,837,404
<b>Total</b>	<b>40,319,366</b>	<b>1,681,196</b>	<b>489,647</b>	<b>(746,999)</b>	<b>41,743,210</b>

### NOTES:

<sup>1</sup> Connie Mckeage directly holds 1,498,910 ordinary shares, indirectly holds 1,442,028 ordinary shares and 34,629,737 ordinary shares are held by related parties.

## Executive KMP employment contracts

- All executive employment contracts may be terminated by either party with agreed notice periods
- OneVue may terminate the employment contract without notice in the event of serious misconduct, neglect of duty or dishonesty on the part of the executive
- KMP have no entitlement to termination payments in the event of removal for misconduct
- Executive employment contracts do not include any guaranteed base pay increases, and
- Executives receive their fixed remuneration in the form of cash, superannuation contributions (SGC) or benefits (for example motor vehicle benefits) where it does not create any additional costs to OneVue and provides additional value to the executives.

The major provisions of the employment contracts relating to remuneration are set out below. Salaries are as at 30 June 2020 and are subject to review annually by the HRNRC.

Name	Title	Term as KMP	Term of Agreement	Detail \$
<b>KMP – EXECUTIVE DIRECTOR</b>				
Connie Mckeage	Managing Director	Full financial year	Ongoing, 6 months' notice	Annual base salary \$142,500 (incl. superannuation)
<b>KMP – EXECUTIVES</b>				
Ashley Fenton	CFO, COO and Company Secretary	Full financial year	Ongoing, 6 months' notice	Annual base salary \$350,000 (incl. superannuation)
Richard Harris-Smith	Deputy Group CEO, CEO Fund & Platform Services	Full financial year	Ongoing, 3 months' notice	Annual base salary \$325,000 (incl. superannuation)
Lisa McCallum	Executive General Manager, Strategic Partnerships	Full financial year	Ongoing, 3 months' notice	Annual base salary \$259,500 (incl. superannuation).

## What is the remuneration scheme outlook for 2021?

Recruiting and retaining talent is a key challenge for all companies in order to drive growth in a highly competitive environment. We have a contemporary employee value proposition, a key part of which is a compelling model for remuneration and reward. The enhancements introduced in the 2019 financial year form the foundations of our remuneration framework for the 2021 financial year with the following key components:

- increasing the proportion of at-risk remuneration in executive compensation and introducing a greater degree of share-based compensation in at-risk remuneration
- increasing the group of eligible scheme participants across the business who can receive at-risk remuneration
- the incentive remuneration component is a structural feature for participants, rather than discretionary.

The COVID-19 pandemic has had a significant impact on remuneration arrangements and practices across the finance industry and the economy more broadly. The impact of COVID-19 will continue to be felt through the coming year, and OneVue will continue to assess its remuneration policies and practices in the context of the broader market. In addition, the anticipated change of control arising through the planned acquisition of 100% of the shares of OneVue by IRESS Ltd will be reflected in OneVue's remuneration arrangements in 2021.

### Participants

Participation is extended to KMPs and their direct reports and OneVue Key Leaders.

### Combined variable reward

The incentive remuneration scheme has been designed to retain and incentivise talent needed to achieve the Company's business objectives and to drive its performance and shareholder value. This is achieved by providing a variable at risk element of remuneration that focuses on performance and service. The incentive rewards consist of a mix of cash and deferred equity (all rewards are set in proportion to the participants Total Fixed Remuneration (TFR). The ratio of cash to equity varies by executive level, reflecting differing financial circumstances.

### Medium-term incentive (MTI)

The current remuneration scheme consists of a medium-term incentive (MTI) component which is based on deferred equity. Equity grants occur annually, based on KPI achievement, and vesting will occur at the end of years 2, 3 and 4. The vesting criteria is based on annual earnings per share (EPS) targets, and a service condition applies at each vesting date. The EPS targets are set at the time of each award for the 3 related annual vesting points. In addition, there will be a clawback condition for a period of 12 months after each vesting date, which will allow the Board to take a longer term view of the performance of each equity award, and apply malus if needed. Depending on the participant's executive tier, the deferred equity rights awarded will vary between 15% and 50% of their TFR.

### Short term incentive (STI)

We believe that the current mix of cash and deferred equity is appropriate in order to align the interests of our shareholders and Management. We also see the cash component as being an important factor in helping us to attract and retain key talent in these competitive and challenging times. Depending on the participant's Executive tier, the cash awarded will vary between 10% and 50% of the TFR. The cash component is inclusive of superannuation and subject to PAYG tax.

# NON-EXECUTIVE DIRECTORS' REMUNERATION

## Remuneration principles

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Non-Executive Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of fixed remuneration comprising Board and Committee fees (where applicable) is established for individual Directors by resolution of the full Board, within the aggregate limit set by shareholders. The aggregate Non-Executive Directors' remuneration for the Company approved by shareholders at the 2016 AGM is an aggregate remuneration limit of \$600,000.

There are no retirement schemes or retirement benefits other than the statutory benefits that apply for Non-Executive Directors.

Each Director is paid a fee as a member of the Board and an additional amount as a Chair of the Board or of a committee. An additional fee is paid to a member (other than a Chair) who is a member of two committees. Directors are entitled to be reimbursed for reasonable travel, accommodation and other expenses incurred in execution of their duties as directors.

The following base fees, including superannuation, apply for the Non-Executive Directors:

Annual fees applicable (inclusive of applicable superannuation)	2020 \$	2019 \$
<b>OneVue Holding's Limited Board</b>		
Non-Executive Director and Chair	125,000	125,000
Non-Executive Director	75,000	75,000
Committee Chair	+ 11,000	+ 11,000
Member of at least two committees	+ 7,000	+ 7,000





## NON-EXECUTIVE DIRECTORS' REMUNERATION

The remuneration of Non-Executive Directors for the financial years ended 30 June 2020 and 30 June 2019 are set out below.

Directors	Financial year	Salary and fees (\$)	Post-employment benefits (\$)	Total (\$)
Ron Dewhurst Chair <sup>1</sup>	2020	116,866	8,134	125,000
	2019	114,155	10,845	125,000
Stephen Knight	2020	85,048	8,080	93,128
	2019	75,723	7,194	82,917
Andrew Macpherson <sup>3</sup>	2020	-	-	-
	2019	77,626	7,374	85,000
Garry Wayling <sup>2</sup>	2020	83,799	7,961	91,760
	2019	123,288	11,712	135,000
TOTAL	2020	285,713	24,175	309,888
	2019	390,792	37,125	427,917

### NOTES:

<sup>1</sup> Appointed Chair 23 November 2017

<sup>2</sup> Includes fees for subsidiary boards

<sup>3</sup> Resigned 28 June 2019.

## Minimum shareholding requirements

In September 2018, the Board approved a policy requiring all Non-Executive Directors to hold a minimum shareholding in the Company to the value (being acquisition cost not market value) of their annual fixed remuneration. This requirement needs to be met by December 2021 for all existing Directors, and within 3 years of their appointment date for new Directors. As at 30 June 2020 all Directors are in compliance with the policy requirement.

## Shareholding

The number of shares in the Company held during the financial year by the Non-Executive Directors is set out below.

Executive	Opening balance	Received as part of remuneration	Additions	Disposals/ Other	Closing balance
<b>Ordinary shares</b>					
<b>current non-executive Directors</b>					
Ron Dewhurst	900,000	-	-	-	900,000
Stephen Knight	200,000	-	-	-	200,000
Garry Wayling	344,027	-	95,000	-	439,027
<b>Total</b>	<b>1,444,027</b>	<b>-</b>	<b>95,000</b>	<b>-</b>	<b>1,539,027</b>

## Human Resources, Nominations and Remuneration Committee

The Board has established a Human Resources, Nominations and Remuneration Committee (HRNRC). The committee is responsible for making recommendations to the Board on remuneration policy and reward structures, Board and committee composition, succession and diversity strategy. The committee is also responsible for ensuring that Management has an appropriate Human Resources policy framework in place including recruitment, retention, performance measurement and termination policies.

The HRNRC assesses the appropriateness of the composition and quantum of remuneration for the Managing Director and Non-Executive Directors by reference to relevant employment market conditions, with the overall objective of attracting and retaining Directors who will create value for shareholders. In determining the level and composition of executive remuneration, the HRNRC committee may engage external consultants to provide independent advice.

The members of the HRNRC at 30 June 2020 were Stephen Knight (Chair), Ron Dewhurst and Garry Wayling. The HRNRC Chair and its membership are reviewed annually by the Board.

The Board approves the remuneration arrangements of the Managing Director as recommended by the HRNRC. The HRNRC reviews the recommendations of the Managing Director with regards to the remuneration arrangements of the direct reports to the Managing Director including awards made under incentive plans and makes recommendations to the Board for approval of these arrangements. In the 2020 financial year, the remuneration framework was amended by shareholders at the 2018 Annual General Meeting to replace the previous OneVue Long Term Incentives and Rights Plan with OneVue Short and Medium Term Incentive Scheme. The new plan expanded reward and participation in the business more broadly to staff, driving greater alignment between staff performance and the short and medium to long-term goals and performance of the business.

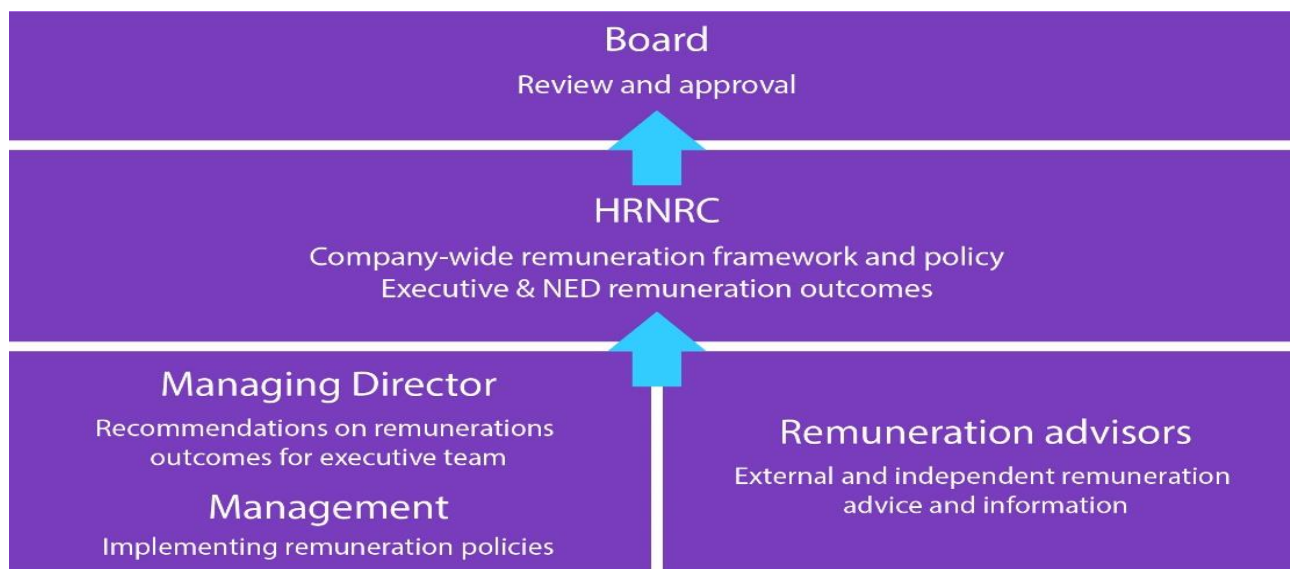
The Board also sets the aggregate remuneration of Non-Executive Directors, which is then subject to shareholder approval. The HRNRC reviews fees paid to Non-Executive Directors annually by reference to fees paid to Directors of companies of similar scale and in a similar sector.

In accordance with best practice corporate governance the structure of Non-Executive Director and other KMP remuneration is separate and distinct.



## Remuneration decision making

The following diagram represents the group's remuneration decision making framework.



## Use of remuneration consultants

The HRNRC, from time to time, may receive advice or guidance from independent remuneration consultants or utilise benchmarking data from specialist executive remuneration companies to ensure executive remuneration is appropriate and in line with market. During the financial year ended 30 June 2020 we utilised independent data obtained from companies specialising in executive remuneration packaging,

A set of protocols was in place to ensure that remuneration recommendations would be free from undue influence from KMP. The Board is satisfied that these protocols were followed and as such there was no undue influence.

## Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any, related entity.

## Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 27 to the financial statements.

As disclosed in Note 27, the non-audit services in the year were for compliance tax services, controls reviews and other assurance work.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001 (Cth)*.

The Directors are of the opinion that the services as disclosed in Note 27 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001 (Cth)* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

## Auditor's independence declaration

The auditor's independence declaration is included after this report on page 72.

## Corporate governance

The Company's Corporate Governance Statement is available at [onevue.com.au/investor-centre/corporate-governance](http://onevue.com.au/investor-centre/corporate-governance).

## Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.







# Financial Statements

# FINANCIAL STATEMENTS

## Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
<b>REVENUE FROM CONTINUING OPERATIONS</b>			
Services revenue		49,080	49,621
<b>Total revenue</b>	<b>1</b>	<b>49,080</b>	<b>49,621</b>
Other income	2	188	61
<b>OPERATING EXPENSES</b>			
Employee benefits expense		(28,161)	(27,017)
Share based payment expense		(1,294)	(20)
Administration expenses		(5,996)	(5,589)
Service fees and other direct costs		(5,677)	(8,212)
Depreciation and amortisation expense		(6,289)	(4,590)
Occupancy costs		(1,165)	(3,038)
Interest expense		(1,042)	(50)
Acquisition and integration related expenses		(1,146)	(1,979)
Deferred consideration receivable provision expense		(26,065)	-
Other expenses		(1,458)	(1,293)
<b>Total operating expenses, before interest discount on contingent consideration and fair value adjustment</b>		<b>(78,293)</b>	<b>(51,788)</b>
Impairment of intangible assets		-	(2,372)
Interest discount on contingent consideration		-	(1,115)
Fair value adjustment on contingent consideration		-	(3,183)
<b>Total operating expenses</b>		<b>-</b>	<b>(58,458)</b>
<b>LOSS BEFORE INCOME TAX</b>		<b>(29,025)</b>	<b>(8,776)</b>
Income tax benefit	5	454	727
<b>Loss after income tax from Continuing Operations</b>		<b>(28,571)</b>	<b>(8,049)</b>
<b>DISCONTINUED OPERATIONS</b>			
Profit from Discontinued Operations, after income tax	4	-	9,420
<b>NET (LOSS) PROFIT FOR THE PERIOD</b>		<b>(28,571)</b>	<b>1,371</b>
Other comprehensive income net of tax		-	-
<b>Total comprehensive (loss) profit for the year attributable to the owners of OneVue Holdings Limited</b>		<b>(28,571)</b>	<b>1,371</b>

The accompanying notes form part of the financial statements.

# OneVue has initially applied AASB 16 Leases at 1 July 2019. Under the modified retrospective transition method chosen, comparative information has not been restated. Refer to note 29.1





# Consolidated statement of financial position

As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6(a)	14,619	10,608
Trade and other receivables	6(b)	6,650	6,910
Deferred consideration receivable	6(c)	-	29,925
Financial assets	8	309	376
Prepayments		914	1,145
<b>Total current assets</b>		<b>22,492</b>	<b>48,964</b>
<b>NON-CURRENT ASSETS</b>			
Intangible assets	9	63,342	61,664
Property, plant and equipment		1,008	1,180
Right-of-use-assets	29.1	4,247	-
Deferred tax asset	5	1,577	1,123
<b>Total non-current assets</b>		<b>70,174</b>	<b>63,967</b>
<b>Total assets</b>		<b>92,666</b>	<b>112,931</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6(d)	10,673	12,837
Contingent consideration		-	1,732
Employee benefits	6(e)	3,307	3,162
Interest bearing lease liabilities	29.1	1,463	-
Interest-bearing loans and borrowing	10	1,114	394
<b>Total current liabilities</b>		<b>16,557</b>	<b>18,125</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease incentives		-	692
Employee benefits	6(e)	339	155
Interest-bearing lease liabilities	29.1	3,974	-
Interest-bearing loans and borrowing	10	4,990	-
<b>Total non-current liabilities</b>		<b>9,303</b>	<b>847</b>
<b>Total liabilities</b>		<b>25,860</b>	<b>18,972</b>
<b>EQUITY</b>			
Contributed equity	11	111,716	111,248
Reserves	13	664	664
Accumulated losses		(45,574)	(17,953)
<b>Total equity</b>		<b>66,806</b>	<b>93,959</b>

The accompanying notes form part of the financial statements.

# OneVue has initially applied AASB 16 Leases at 1 July 2019. Under the modified retrospective transition method chosen, comparative information has not been restated. Refer to note 29.1

## Consolidated statement of changes in equity

For the year ended 30 June 2020

Year ended 30 June 2020	Contributed equity \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2019	111,248	664	(17,953)	93,959
Adjustments (refer to note 29.1)			(341)	(341)
Balance at 1 July 2019	111,248	664	(18,294)	93,618
<b>Profit after income tax for the year</b>			(28,571)	(28,571)
Total comprehensive profit for the year			(28,571)	(28,571)
Transactions with owners in their capacity as owners:				
Share based payments and other transfers of reserves	468	-	1,291	1,759
<b>Balance as at 30 June 2020</b>	<b>111,716</b>	<b>664</b>	<b>(45,574)</b>	<b>66,806</b>

Year ended 30 June 2019	Contributed equity \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2018	110,638	644	(18,717)	92,565
Adjustments	-	-	(607)	(607)
Balance at 1 July 2018	110,638	644	(19,324)	91,958
<b>Profit after income tax for the year</b>			1,371	1,371
Total comprehensive profit for the year			1,371	1,371
Transactions with owners in their capacity as owners:				
Share based payments and other transfers of reserves	610	20	-	630
<b>Balance as at 30 June 2019</b>	<b>111,248</b>	<b>664</b>	<b>(17,953)</b>	<b>93,959</b>

The accompanying notes form part of these financial statements.



## Statement of cash flows

For the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers (inclusive of GST)		50,958	54,316
Payments to suppliers and employees (inclusive of GST)		(48,661)	(51,404)
Interest received		2,142	1,910
Interest paid		(371)	(631)
Acquisition and integration related expenses		(1,803)	(2,169)
<b>Net cash provided in operating activities</b>	7	<b>2,265</b>	<b>2,022</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant & equipment		(346)	(131)
Payment for acquisitions (net of cash acquired)		(1,551)	(10,334)
Proceeds on disposal of investments (net of cash disposed)		4,116	6,570
Payment for intangible assets		(6,507)	(5,023)
<b>Net cash used in investing activities</b>		<b>(4,288)</b>	<b>(8,918)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share issue		468	610
Proceeds from borrowing		6,848	997
Repayment of borrowing		(1,282)	(3,507)
<b>Net cash used in (from) financing activities</b>		<b>6,034</b>	<b>(1,900)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>4,011</b>	<b>(8,796)</b>
Cash and cash equivalents at the beginning of the year		10,608	19,404
<b>Cash and cash equivalents at the end of the year</b>	6(a)	<b>14,619</b>	<b>10,608</b>

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. Revenue

### Rendering of services and performance

Services and Performance revenue is recognised when control of a good or service is transferred to a customer – either at a point in time or over time. Clients obtain control of services as they are delivered, and revenue is recognised over time as those services are provided. Invoices are generally issued on a monthly basis and are payable within 7 to 30 days. As such, there is not considered to be any significant financing component within each contract.

Where OneVue has a right to consideration from a client in an amount that corresponds directly with the value of performance completed to date (for example, a service contract billed for a fixed amount for each hour of service provided). OneVue recognises revenue for the amount that it has a right to invoice the client.

OneVue also recognises revenues derived at a point in time, generally when OneVue's performance obligation is linked to a particular event. Revenue is recognised when OneVue has the unconditional right to receive payment under the terms of the contract.

Revenue is measured at the fair value of the consideration received or receivable. This also includes interest revenue on trading accounts.

OneVue Holdings Limited and its controlled entities (referred to as OneVue) derives the following types of revenue:

	2020 \$'000	2019 \$'000
<b>Revenue</b>		
Revenue from services	49,154	49,593
Fair value adjustment on financial assets (Note 8)	(74)	28
<b>Total revenue from Continuing Operations</b>	<b>49,080</b>	<b>49,621</b>

## 2. Other income

Other income includes:

	2020 \$'000	2019 \$'000
Interest income	167	61
Other revenue	21	-
<b>Other income</b>	<b>188</b>	<b>61</b>



### 3. Description of segments

OneVue is organised into three operating segments: Fund Services, Platform Services, and Corporate. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The Board also uses underlying EBITDA (earnings before interest, tax, depreciation and amortisation) as a principal profit measure. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on at least a monthly basis.

OneVue divested its Trustee Services business on 28 June 2019.

#### Types of services.

The principal services of each of these operating segments are as follows:

<b>Fund Services</b>	Managed Fund administration and Super Member administration.
<b>Platform Services</b>	Full function Platform administration including managed funds and managed accounts and administration services.
<b>Corporate</b>	Provision of corporate services to the operating segments. This includes costs of the listed entity (including audit, tax and insurance) and central corporate services.

#### Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans are eliminated on consolidation.

#### Major customers

During the year ended 30 June 2020, OneVue's largest two clients by gross revenue accounted for approximately \$7.1 million (15%) and \$6.5 million (13%) in revenue. These clients are serviced by both Fund Services and Platform Services segments.

### 3. Description of segments (continued)

#### Segment income

Year ended 30 June 2020	Fund Services	Platform Services	Corporate	Total
	\$'000	\$'000	\$'000	\$'000
Segment revenue	32,188	18,402	-	50,590
Eliminations				(1,510)
Total group revenue				49,080
EBITDA pre AASB16 *	6,762	2,683	(4,723)	4,722
Fixed rent pre AASB16	654	820	417	1,891
EBITDA post AASB16	7,416	3,503	(4,306)	6,613
Depreciation and amortisation expense	(3,099)	(1,524)	(1,666)	(6,289)
Interest expense	(39)	-	(805)	(844)
Share-based payments	-	-	(1,294)	(1,294)
Impairment of deferred consideration	-	-	(26,065)	(26,065)
Acquisition and related restructure costs	-	-	(1,146)	(1,146)
Profit (Loss) before income tax	4,278	1,979	(35,282)	(29,025)



### 3. Description of segments (continued)

#### Segment income

Year ended 30 June 2019	Fund services	Platform services	Corporate	Total
	\$'000	\$'000	\$'000	\$'000
Segment revenue	32,353	18,592	-	50,945
Eliminations				(1,324)
Total group revenue				49,621
EBITDA *	6,404	2,636	(4,578)	4,462
Depreciation and amortisation expense	(2,540)	(1,780)	(270)	(4,590)
Interest revenue			21	21
Share-based payments			(20)	(20)
Impairment of intangibles			(2,372)	(2,372)
Interest discount on contingent consideration			(1,115)	(1,115)
Fair value adjustment on contingent consideration			(3,183)	(3,183)
Acquisition and related restructure costs			(1,979)	(1,979)
Profit (loss) before income tax Continuing Operations	3,864	856	(13,496)	(8,776)
Profit before income tax Discontinued Operations				14,350
Profit (loss) before income tax				5,574

#### NOTES:

\* EBITDA represents earnings before interest, tax, depreciation and amortisation excluding non-recurring items and share-based payments.

## 4. Discontinued operations

OneVue divested/exited the Discontinued Operations (Trustee Services business) in the prior period. The comparative statement of comprehensive income shows the Discontinued operations separately from Continuing operations. Refer to note 6(c) for details on the sale of the Trustee Services business.

Aggregate details of the interests in other entities or businesses disposed are as follows:

	2020 \$'000	2019 \$'000
Total sale consideration*	-	41,924
Less: total carrying value of net assets disposed	-	(28,574)
Less: direct costs relating to disposal	-	(424)
<b>Gain in respect of capital transaction before income tax</b>	<b>-</b>	<b>12,926</b>
Income tax expense on Gain in respect of capital transactions	-	(4,335)
<b>Gain in respect of capital transaction after income tax</b>	<b>-</b>	<b>8,591</b>

**NOTES:**

\* Sale consideration comprised \$12 million of cash received and deferred consideration of \$31 million, disclosed at fair-value of \$29.9 million.

### (a) Results of Discontinued Operations

	2020 \$'000	2019 \$'000
Revenue	-	7,832
Operating expenses	-	(6,408)
Profit before tax	-	1,424
Tax expense	-	(595)
Profit after tax from Discontinued operation	-	829
Net gain on sale of discontinued operations	-	12,926
Income tax expense on Gain in respect of capital transaction	-	(4,335)
Profit after income tax from Discontinued Operations	-	9,420
Basic and diluted earnings per share (cents per share)	-	3.56

### (b) Cash flows from Discontinued Operations

	2020 \$'000	2019 \$'000
Net cash from operating activities	-	2,400
Net cash from financing activities	-	(2,800)
Net cash from Discontinued Operations	-	(400)





## 5. Income tax

OneVue Holdings Limited and its wholly-owned Australian controlled entities have formed an income tax consolidated Group under the tax consolidation regime. The head entity and the controlled entities in the tax consolidated Group continue to account for their own current and deferred tax amounts. The tax consolidated Group has applied the 'separate taxpayer within Group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated Group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated Group.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

### Unrecognised income tax losses and timing differences

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

The amount of unrecognised income tax losses as at year end was \$10.2 million (2019: \$9.0 million). In future periods, available fraction and recoupment rules govern the amount of these losses that can be used in a single year.

## 5. Income tax (continued)

### Income tax benefit

	2020 \$'000	2019 \$'000
<b>Reconciliation of income tax benefit to net loss</b>		
Loss from continuing operations before income tax	(29,025)	(8,776)
Profit from discontinued operations before income tax	-	14,350
Profit (Loss) before income tax	(29,025)	5,574
Prima facie income tax at 30%	8,708	(1,673)
Income and expenditure not allowable for income tax purposes	(7,885)	(1,791)
Tax losses carried forward not recognised	(149)	-
Previously recognised tax losses	(182)	(739)
Prior period deferred tax over provision	(38)	-
<b>Total income tax benefit (expense)</b>	<b>454</b>	<b>(4,203)</b>
<b>Income tax benefit from continuing operations</b>	<b>454</b>	<b>727</b>
<b>Income tax expense from discontinued operations</b>	<b>-</b>	<b>(4,930)</b>
<b>Deferred income tax benefit included in income tax benefit comprises:</b>		
Increase (Decrease) in deferred tax assets	1,492	(1,695)
(Increase) Decrease in deferred tax liabilities	(1,038)	1,491
Tax losses utilised	-	(3,999)
<b>Total income tax benefit (expense)</b>	<b>454</b>	<b>(4,203)</b>



## 5. Income tax (continued)

	2020 \$'000	2019 \$'000
<b>Deferred tax assets</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Carried forward tax losses	2,455	2,637
Other accruals and liabilities	897	885
Legal and capital costs	262	357
Employee entitlements	1,148	1,058
Lease liabilities	1,631	-
<b>Total non-current assets – deferred tax assets</b>	<b>6,393</b>	<b>4,937</b>
<b>Movements:</b>		
Opening balance	4,901	10,710
Recognition of deferred tax asset	1,165	(1,632)
Movement in deferred tax assets arising from temporary differences	327	(178)
Tax losses utilised	-	(3,999)
Movements relating to acquisitions	-	-
<b>Closing balance at the end of the year</b>	<b>6,393</b>	<b>4,901</b>
	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Deferred tax liabilities</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Intangible assets	4,774	3,757
Other	42	21
<b>Total non-current liabilities – deferred tax liabilities</b>	<b>4,816</b>	<b>3,778</b>
<b>Movements:</b>		
Opening balance	3,778	5,270
Prior period deferred tax over provision	38	-
Movement in deferred tax liabilities arising from temporary differences	(280)	(1,492)
Recognition of deferred tax liability	1,280	-
<b>Closing balance at the end of the year</b>	<b>4,816</b>	<b>3,778</b>
<b>Net deferred tax assets</b>		
Deferred tax assets	6,393	4,901
Deferred tax liabilities	(4,816)	(3,778)
<b>Net deferred tax assets</b>	<b>1,577</b>	<b>1,123</b>

OneVue has a franking account balance of \$2.49 million as at 30 June 2020 (2019: \$2.49 million).

## 5. Income tax (continued)

### Other taxes

Revenue, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

### Key estimates and judgements

#### Recovery of deferred tax assets

Deferred tax assets are recognised for prior period income tax losses, research and development tax offsets, and deductible temporary differences, where it's considered probable that taxable income will be available against which these can be utilised.

The deferred tax asset has been recognised as at 30 June 2020 as the Group has previously generated taxable profits and expects to again in the medium term and according to management estimates full tax loss recoupment is probable in the medium term.

## 6. Working capital and employee benefits provisions

### a. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

	2020 \$'000	2019 \$'000
Cash at bank and in hand	12,506	9,632
Cash at bank and in hand – restricted <sup>1</sup>	2,113	976
<b>Cash and cash equivalents</b>	<b>14,619</b>	<b>10,608</b>

#### NOTES:

<sup>1</sup> Includes amounts held for Prudential purposes and is restricted in use.



## 6. Working capital and employee benefits provisions (continued)

### b. Trade and other receivables

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. Trade receivables are recognised at fair value less any provision for impairment.

	2020 \$'000	2019 \$'000
Trade receivables	6,187	6,947
Less: Provision for impairment of receivables	(45)	(199)
	6,142	6,748
Other receivables	508	162
<b>Trade and other receivables</b>	<b>6,650</b>	<b>6,910</b>

### Key estimates and judgements

#### Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position.

#### Past due but not impaired

Customers with balances past due (more than 30 days) but without provision for impairment of receivables amount to \$0.32 million (\$1.05 million as at 30 June 2019). OneVue does not consider a credit risk exists on the aggregate balances after reviewing credit terms based on recent collection practices.

### c. Deferred consideration receivable

#### Sargon Receivable

On 28 June 2019, OneVue completed the sale of its Trustee Services business to Sargon (Superannuation Holdings Pty Ltd and Sargon Superannuation Holdings SPV Pty Ltd) for sale consideration of \$43 million, comprised of \$12 million cash which was received on completion and deferred consideration of \$31 million. This deferred consideration receivable (Sargon Receivable) was due to be paid by Sargon on or before 30 November 2019.

On 22 November 2019, OneVue agreed to amend certain terms of the share purchase agreement and the due date for payment of the Sargon Receivable was extended from 30 November 2019 to 29 May 2020. The Sargon Receivable became interest bearing. The first monthly interest payment due on 31 December 2019 was received.

The Sargon Receivable was secured, including under a general security deed, provided by a subsidiary of Sargon, SC Australia Holdings No 1 Pty Ltd (SCAH1) and registered on the Personal Property Securities Register. The security comprised shares in Sequoia Financial Group Ltd (Sequoia) and in Madison Financial Group (Madison).

On 29 January 2020 Shaun Fraser and James Preston of McGrathNicol (Sargon Receivers) were appointed as Receivers and managers of the Sargon parent entity, Sargon Capital Pty Limited (Sargon Capital), by China-Taiping Insurance Group Ltd (Taiping). Taiping's claims as a secured creditor of Sargon Capital are asserted pursuant to a secured guarantee provided by Sargon Capital in support of loans made by Taiping to entities outside the Sargon Group. Sargon Capital's contingent liability under that guarantee was not disclosed in Sargon Capital's financial statements, nor was it disclosed to OneVue in negotiations for the sale of its

## 6. Working capital and employee benefits provisions (continued)

### c. Deferred consideration receivable (continued)

Trustee Services businesses to Sargon Capital or in the negotiations with OneVue relating to the terms of the Sargon Receivable.

On 3 February 2020, Stewart McCullum and Adam Nikitins of Ernst & Young (Sargon Subsidiary Voluntary Administrators) were appointed Voluntary Administrators to a number of subsidiaries of Sargon including SCAH1.

On 4 February 2020, OneVue appointed Chris Hill and Daniel Walley of PwC (OneVue Receivers) to act as Receivers and Managers of SCAH1 in order to protect its secured rights in SCAH1.

### Sequoia shares

The Sequoia shares were sold by the OneVue Receivers and the net consideration of \$4.376 million from the sale was paid to OneVue on 24 February 2020. This amount has been applied to the deferred consideration receivable balance.

On 1 June 2020, OneVue announced that Taiping had recently asserted a competing security interest in the Sequoia shares, and a resulting entitlement to the sale proceeds. OneVue has been unable to reach agreement with Taiping regarding its competing claims. On 5 August 2020 OneVue (through its subsidiary, Diversa Pty Ltd) and the OneVue Receivers commenced proceedings (Priority Proceedings in the Federal Court of Australia against Taiping to confirm OneVue's priority interest and entitlement to the Sequoia proceeds (and proceeds from the Madison sale, discussed below).

Unless settled beforehand, this matter will ultimately be determined by the Court. There is no guarantee that OneVue will retain the proceeds received from the sale of shares in Sequoia.

### Madison

On 3 June 2020, OneVue announced that the OneVue Receivers had signed a Share Sale Deed with Clime Investment Management Limited (Clime) for the sale of Madison, for total expected consideration (including working capital adjustments) of approximately \$5 million, of which \$2.5 million is subject to a two-year escrow arrangement which reduces to \$1.25 million after 12 months.

OneVue also advised the market that completion was conditional upon consent (or a court order to the same effect) to the sale from Taiping. The reason for this condition is that Taiping had recently asserted a competing security interest over Madison. In order to avoid disrupting the sale process, OneVue and the Receivers entered into an agreement with Taiping and its advisers to facilitate completion. Completion occurred on 26 June 2020 and the sale proceeds are currently held in a trust account pending resolution of the priority dispute with Taiping. OneVue has not attributed any value to the disputed amount in the financial statements.

On 5 August 2020, as part of the Priority Proceedings, OneVue and the OneVue Receivers sought declaratory relief confirming OneVue's priority interest and entitlement to the proceeds from the Madison sale, as against Taiping.

Unless settled beforehand, this matter will ultimately be determined by the Court. There is no guarantee that OneVue will receive any proceeds from the Madison sale.

### Other assets (Sargon subsidiaries)

On 28 February 2020, OneVue advised the market that the Sargon Subsidiary Voluntary Administrators had reached an exclusive agreement to sell the superannuation trustee businesses, the responsible entity businesses, the corporate trustee business and the New Zealand operations of Sargon. This included the Diversa and CCSL Trustee Services businesses previously sold by OneVue to Sargon.



## 6. Working capital and employee benefits provisions (continued)

### c. Deferred consideration receivable (continued)

On 30 April 2020 the Sargon Subsidiary Voluntary Administrators commenced proceedings in the Federal Court of Australia seeking relief to permit them to proceed with the sale of Sargon's operating businesses for a total purchase price of \$29.6 million in circumstances where the sale involved the sale of assets over which secured creditors including OneVue, Westpac, Taiping and other third parties had claimed an interest.

Following a contested hearing, on 1 May 2020, the Federal Court made orders which permitted the sale of the Sargon operating businesses subject to the proceeds being retained in a common fund until further Court Order about each creditor's claims on the fund.

The sale of the operating businesses completed on 5 May 2020 and \$29.6 million was paid into the Sargon Subsidiary Voluntary Administrators' controlled money account. Claims against that fund have been made by the Sargon Subsidiary Voluntary Administrators, OneVue, Westpac, Taiping and other third parties who have asserted ownership rights over intellectual property assets which were sold.

The Federal Court fixed a timetable for determining the claims by the Sargon Subsidiary Voluntary Administrators, OneVue, Westpac, Taiping and the third parties. OneVue, together with other claimants, and the Sargon Subsidiary Voluntary Administrators have filed notices of claim in the Federal Court over the sale proceeds. On 24 July 2020 OneVue, and the other claimants, filed evidence in support of their respective claims, with evidence in reply filed by 14 August 2020. The matter which proceeded to mediation on 19 August 2020 is ongoing.

There is no guarantee that OneVue will receive any, or some, of the net proceeds of sale of the operating businesses as a result of the mediation. If the mediation is unsuccessful, these matters will ultimately be determined by Court. There is again no guarantee that OneVue will receive any, or some, of the net proceeds.

### Costs

Ongoing costs are being incurred by OneVue in order to pursue its claims in relation to the Sargon Group, which are negatively impacting its cash position. As at 30 June 2020 OneVue has incurred approximately \$0.5 million in relation to claims associated with the collapse of the Sargon Group. There is a possibility that OneVue's costs may ultimately exceed any recovery of further amounts in relation to these claims. OneVue has also provided on account funding to the OneVue Receivers of \$0.3m, which is recoverable by the OneVue Receivers from the Madison sale proceeds.

On 26 February 2020 OneVue wrote down the value of the Sargon Receivable to \$3.9m.

	2020 \$'000	2019 \$'000
Deferred consideration receivable	29,925	29,925
Less: Provision	(26,065)	-
<b>Deferred consideration receivable- 31 December 2019</b>	<b>3,860</b>	<b>29,925</b>
Net proceeds from Sequoia shares	(4,376)	-
Legal costs	516	-
<b>Deferred consideration receivable -30 June 2020</b>	<b>-</b>	<b>-</b>

The quantum and timing of any amounts that OneVue may receive from the Sargon Receivable remain uncertain because of the complexity of the Sargon Group structure, and the nature and level of disputed and competing claims from secured and unsecured creditors to the administrators and liquidators, which will need to be resolved by court action. There is no guarantee that OneVue will receive any further proceeds

## 6. Working capital and employee benefits provisions (continued)

### c. Deferred consideration receivable (continued)

from the Sargon Receivable or that it will retain the \$4.4m proceeds from sale of the shares in Sequoia received in February 2020.

### d. Trade and other payables

These amounts represent liabilities for goods and services provided to OneVue prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Other payables not expected to be settled in the twelve months after reporting date are classified as non-current.

The current trade and other payables are set out below:

	2020	2019
	\$'000	\$'000
Trade payables	2,486	4,107
Accrued expenses and other payables	8,187	8,471
Short-term lease incentive	-	259
<b>Trade and other payables</b>	<b>10,673</b>	<b>12,837</b>

### e. Employee benefits provisions

A provision is recognised when an obligation exists as a result of a past event and it is probable that a future outflow of cash or other benefit will be required to settle the obligation.

#### Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits expected to be settled wholly within 12 months after the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable.

#### Other long-term employee benefits

Liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the reporting period. They are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period using the projected unit credit method. Consideration is given to experience of employee departures and periods of service. Expected future payments are discounted using corporate bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of when settlement is expected to occur, liabilities for long service leave and annual leave are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Related on-costs have also been included in the liability.





## 6. Working capital and employee benefits provisions (continued)

### e. Employee benefits provisions (continued)

#### Defined contribution plans

The cost of the defined contribution plans for the year was \$2.21 million (2019: \$2.42 million).

### Key estimates and judgements

#### Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

## 7. Reconciliation of cash flows

	2020 \$'000	2019 \$'000
Net (loss) profit after income tax expense for the year	(28,571)	1,371
<b>Non-cash items</b>		
Impairment of intangible assets	-	2,372
Depreciation and amortisation expense	6,289	5,143
Deferred consideration receivable provision expense	26,065	-
Share-based payments	1,294	20
Financial assets mark to market	67	(77)
Profit and loss impact of AASB 16	(1,418)	-
Gain on sale of discontinued businesses	81	(12,927)
Discount of deferred acquisition costs	-	4,299
Lease incentive liability	-	(355)
<b>Change in operating assets and liabilities:</b>		
Movement in tax	(454)	4,202
Decrease in borrowings	144	-
Increase in receivables	(76)	(1,774)
Decrease in trade and other payables	(1,387)	(140)
Decrease (Increase) in prepayments	231	(112)
Net cash provided in operating activities	<b>2,265</b>	<b>2,022</b>

## 8. Current assets – financial assets at fair value through profit or loss

OneVue has assessed its investments held at fair value through profit or loss and these investments are held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit. These investments primarily comprise of holdings in ASX listed equities. Regular purchases and sales of investments are recognised on trade date, the date on which OneVue commits to purchase or sell the asset. Investments are initially recognised at fair value with any transaction costs expensed through the statement of profit or loss and other comprehensive income. Subsequent movements in the fair value of financial assets are recognised in the statement of profit or loss and other comprehensive income. These investments, which are categorised as Level 1 in the 'Fair Value Hierarchy', are valued using the quoted price in active markets.

	2020 \$'000	2019 \$'000
Ordinary shares - held for trading	309	376
Total financial assets	309	376
Reconciliation of the fair values at the beginning and end of the current financial year are set out below:		
Opening fair value	376	1,227
Additions	7	-
Disposal of Trustee business	-	(927)
Revaluation increments	(74)	76
Closing fair value	309	376

## 9. Non-current assets – intangibles

### Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments - refer Note 3.

### Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The amortisation method and useful lives of finite life intangibles are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

### Customer relationships

Customer relationships acquired as part of a business combination are recognised separately from goodwill. The customer relationships are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which is considered to be between 4 and 7 years.

### Capitalisation of development and software

Research costs and costs associated with maintaining software programmes are expensed in the period in which they are incurred. Development and software costs that are directly attributable to the design and testing of identifiable and unique software products controlled by OneVue are recognised as intangible assets and amortised from the point which the asset is ready for use when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs and software are amortised on a straight line basis over the period of their expected benefit. Capitalised development costs are amortised over their finite life of between 5 to 7 years while capitalised software is amortised over their finite life of between 5 to 10 years.

## 9. Non-current assets – intangibles (continued)

### Client establishment costs

Client establishment costs are costs incurred in relation to set-up and mobilisation of a contract upon award. They are capitalised in intangible assets when there is a probable expectation that they will be recovered and that they can be reliably measured. They are amortised on a straight line basis over the shorter of the period of the contract or five years.

Non-current assets - intangibles	2020 \$'000	2019 \$'000
Goodwill	42,320	42,320
Customer relationships - at cost	15,820	15,820
Less: Accumulated amortisation	(10,452)	(8,757)
	5,368	7,063
Development and software - at cost	21,509	17,440
Less: Accumulated amortisation	(11,189)	(9,658)
Less: Provision for impairment	(1,008)	(1,008)
	9,312	6,774
Client establishment costs - at cost	9,778	7,928
Less: Accumulated amortisation	(2,072)	(1,057)
Less: Provision for impairment	(1,364)	(1,364)
	6,342	5,507
<b>Total Intangible assets</b>	<b>63,342</b>	<b>61,664</b>



## 9. Non-current assets – intangibles (continued)

	Goodwill	Customer relationships	Development and software	Client establishment costs	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 30 June 2018</b>	<b>64,596</b>	<b>13,604</b>	<b>7,145</b>	<b>3,954</b>	<b>89,299</b>
Impairment	-	-	(1,008)	(1,364)	(2,372)
Other additions	-	-	2,266	3,539	5,805
Amortisation expense – Continuing operations	-	(2,049)	(1,629)	(622)	(4,300)
Amortisation expense – Discontinued operations	-	(519)	-	-	(519)
Disposals	(22,276)	(3,973)	-	-	(26,249)
<b>Balance at 30 June 2019</b>	<b>42,320</b>	<b>7,063</b>	<b>6,774</b>	<b>5,507</b>	<b>61,664</b>
Impairment	-	-	-	-	-
Other additions	-	-	4,067	1,849	5,916
Amortisation expense – Continuing operations	-	(1,695)	(1,529)	(1,014)	(4,238)
Amortisation expense – Discontinued operations	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Balance at 30 June 2020</b>	<b>42,320</b>	<b>5,368</b>	<b>9,312</b>	<b>6,342</b>	<b>63,342</b>

Goodwill acquired through business combinations have been allocated to the following cash-generating units:

	2020 \$'000	2019 \$'000
Platform Services	8,417	8,417
Fund Services	33,903	33,903
<b>Total Goodwill</b>	<b>42,320</b>	<b>42,320</b>

The recoverable amount of intangibles has been determined by a value-in-use calculation using a discounted cash flow model, based on revenue projections over a five-year period, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

### Key assumptions used in value-in-use calculation

#### Growth rates

Management have estimated the five year compound annual growth rates of Platform Services 11% (2019: 8%), and Fund Services 10% (2019: 8%) decreasing to conservative terminal growth rates of Platform Services 2.5% and, Fund Services 3% beyond year five.

## 9. Non-current assets – intangibles (continued)

### Discount rates

The discount rates of Platform Services 9.7% (2019: 13.5%), and Fund Services 12.3% (2019: 14.3%) pre-tax reflects Management's estimate of the time value of money and OneVue's weighted average cost of capital adjusted for the Fund Services, and Platform Services, the risk free rate and the volatility of the share price relative to market movements.

There were no other key assumptions.

Based on the above, there is no impairment charge for the Fund Services and Platform Services

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of the cash generating unit's intangibles are based would not cause the applicable carrying amounts to exceed their recoverable amounts.

### Key estimates and judgements

#### Impairment of non-financial assets other than goodwill

OneVue assesses impairment of non-financial assets other than goodwill at each reporting date by evaluating conditions specific to OneVue and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves value-in-use calculations, which incorporate a number of key estimates and assumptions.

#### Estimation of useful lives of assets

OneVue determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

## 10. Loans and borrowings

Borrowings are initially recognised at fair value net of transaction costs and subsequently measured at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are capitalised to borrowings and amortised in profit or loss over the expected life of the borrowings.

All borrowings with contracted maturities greater than 12 months after the reporting date are classified as non-current liabilities.

	2020 \$'000	2019 \$'000
Current liabilities:		
Loan facility	859	-
Other financing	255	394
Total Current liabilities	1,114	394
Non-Current liabilities:		
Loan facility	4,990	-
Total Non-Current liabilities	4,990	-
<b>Loans and borrowings</b>	<b>6,104</b>	<b>394</b>

### Loan facility

OneVue has a \$6 million secured facility which is fully utilised as at 30 June 2020. The maturity date is January 2023.

## 11. Contributed equity – issued capital

### Ordinary shares

Ordinary shares are classified as contributed equity.

Ordinary shares entitle holders to receive dividends payable to ordinary shareholders and the right to vote on matters of corporate policy and the composition of the members of the Board of Directors. The fully paid ordinary shares have no par value and OneVue does not have a limited amount of share capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

On 30 August 2019, 23, December 2019, and 30 May 2020, 2,964,932, 305,106, and 6,227 shares respectively were issued on the exercise of rights that were issued on 18 July 2019.

	2020 Shares	2019 Shares	2020 \$'000	2019 \$'000
Ordinary shares - fully paid	267,930,053	264,653,788	111,716	111,248

### Number of securities on issue

Details	2020 No. of securities	2019 No. of securities
Opening balance	264,653,788	264,337,753
Issue of shares	3,276,265	316,035
Closing balance	267,930,053	264,653,788

### Capital management

OneVue's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, OneVue may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

OneVue may elect to raise capital when an opportunity arises to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.





## 12. Earnings per share

Earnings per share are determined by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share are adjusted from the basic earnings per share by taking into account the impact of dilutive potential units.

	2020 Cents	2019 Cents
Total - basic earnings per share	(10.68)	0.52
Total – diluted earnings per share	(10.66)	0.52
Continuing operations – basic earnings per share	(10.68)	(3.04)
Continuing operations – diluted earnings per share	(10.66)	(3.04)

The weighted average number of shares used in the calculation of basic and diluted earnings per share are as follows:

	Number	Number
Basic earnings per share	267,550,140	264,364,089
Diluted earnings per share	267,977,532	264,653,788

## 13. Equity – reserves

Details	2020 \$'000	2019 \$'000
Share-based payment reserve	664	664
Opening balance	664	644
Share-based payment expense	-	20
Closing balance	664	664

### Share-based payments reserve

The share-based payments reserve records the fair value of performance and restricted rights issued.

## 14. Financial instruments

### Financial risk management objectives

OneVue's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. OneVue's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of OneVue. OneVue uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

OneVue, through training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees and consultants understand their roles and obligations.

OneVue's Audit, Risk Management and Compliance Committee oversees how Management monitors compliance with OneVue's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by OneVue.

### Market risk

#### Foreign currency risk

OneVue is not exposed to any significant foreign currency risk.

#### Price risk

OneVue is exposed to price risk in relation to equity securities. This arises from investments held by OneVue and are classified on the statement of financial position at fair value through profit or loss. OneVue is not exposed to commodity price risk.

#### Interest rate risk

OneVue is not materially exposed to movements in short-term variable interest rates on cash and cash equivalents and deposits. OneVue's interest bearing loan has a fixed interest rate therefore no interest rate risk. All other financial assets and liabilities are not exposed to variable interest rates.

The Directors believe a 50 basis point movement is a reasonable sensitivity given current market conditions. A 50 basis point increase or decrease in interest rates would impact the OneVue's income statement as set out below:

	2020 \$'000	2019 \$'000
50 basis points increase in interest rate	73	53
50 basis points decrease in interest rate	(73)	(53)
<b>Net impact on profit (loss) after tax</b>		
Profit (loss) after income tax:	(28,571)	1,372
50 basis point increase	(28,498)	1,425
50 basis point decrease	(28,644)	1,319



## 14 Financial instruments (continued)

### **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to OneVue. Credit risk arises from OneVue's trade receivables, other receivables, receivables from subsidiaries, deferred consideration receivable and cash at bank and on deposit.

The Group is exposed to credit risk on cash balances with financial institutions. New cash transactions are limited to financial institutions that meet minimum credit rating criteria.

### **Trade and other receivables**

OneVue is exposed to credit risk on trade receivables balances. OneVue obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. OneVue does not hold any collateral.

### **Deferred consideration receivable**

OneVue is exposed to credit risk on deferred consideration receivable which is secured under a general security deed, registered on the Personal Property Securities Register and is subject to the provisions of the Share Purchase Agreement under which the performance of the Purchaser's obligations can be enforced. (see note 6)

### **Liquidity risk**

Vigilant liquidity risk management requires OneVue to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

OneVue manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Under the terms of its Australian Financial Services Licence, OneVue Wealth Services Limited, is required to hold up to \$5 million in adjusted surplus liquid funds at all times.

See Note 10 for details of OneVue's funding facilities at year end.

## 14. Financial instruments (continued)

### Remaining contractual maturities

The following table details OneVue's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

#### As at 30 June 2020

	1 year or less \$'000	1-5 years \$'000
Non-derivatives		
Non-interest bearing		
Trade and other payables	9,405	-
Interest bearing		
Lease liabilities	1,463	3,974
Loans and borrowings	1,114	4,990
<b>Total non-derivatives</b>	<b>11,982</b>	<b>8,964</b>

#### As at 30 June 2019

	1 year or less \$'000	1 -5 years \$'000
Non-derivatives		
Non-interest bearing		
Trade and other payables	11,041	-
Contingent consideration	1,800	-
Interest bearing		
Loans and borrowings	394	-
<b>Total non-derivatives</b>	<b>13,235</b>	<b>-</b>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

### Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.



## 15. Key management personnel disclosures

### Compensation

The aggregate compensation made to Directors and other members of Key Management Personnel of OneVue is set out below:

	2020 \$	2019 \$
Share-based payment expense	785,000	20,468
Short-term employee benefits	1,456,681	1,720,255
Post-employment benefits	112,751	236,559
Long-term benefits	23,956	38,243
Total Key Management Personnel compensation	2,378,388	2,015,525

## 16. Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

### Performance Rights and Restricted Rights

On 18 July, 2019, 206,147 unlisted and unvested rights were issued to the Managing Director and 2,970,119 unlisted and vested rights were issued to Key Management and other employees pursuant to the OneVue Holdings Limited Short & Medium Term Incentive Plan. All of these rights were exercised during the year ended 30 June 2020.

On 23 September 2019, 284,865 Performance Rights previously granted to the Managing Director lapsed under the rules of OneVue's Long Term Incentive and Rights Plan due to non-achievement of the performance conditions.

### Employee share scheme

No shares were issued as part of an employee share scheme in 2020 (2019: Nil).

### Employee Option Plan

No rights were issued as part of an employee rights plan in 2020 (2019: Nil).

## 17. Corporate information

The consolidated financial statements of OneVue and its subsidiaries for the year ended 30 June 2020 were authorised for issue in accordance with the resolution of the Directors on 26 August 2020. OneVue is a company limited by shares and incorporated and domiciled in Australia. OneVue's shares are publicly traded on the Australian Securities Exchange (ASX code: OVH). Its registered office and principal place of business is Level 5, 10 Spring Street, Sydney NSW 2000.

A description of the nature of OneVue's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

## 18. Consolidated group and interests in subsidiaries

### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of OneVue Holdings Limited (parent entity) as at 30 June 2020 and the results of all subsidiaries for the year ended 30 June 2020.

Subsidiaries are all those entities over which OneVue has control. OneVue controls an entity when OneVue 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to OneVue. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in OneVue are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

### Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by OneVue
- fair value of any asset or liability resulting from a contingent consideration arrangement
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. OneVue recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The difference between the acquisition date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill.

If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.



## 18 Consolidated group and interests in subsidiaries (continued)

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in profit or loss.

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries.

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2020 %	2019 %
Diversa Funds Management Pty Ltd	Australia	100%	100%
Diversa Pty Ltd (formerly Diversa Limited)	Australia	100%	100%
Diversa Superannuation Services Limited	Australia	-	100%
FUND.eXchange Pty Ltd (formerly OneVue Private Clients Pty Limited)	Australia	100%	100%
Glykoz Pty Ltd	Australia	100%	100%
Group Insurance & Superannuation Concepts Pty Ltd	Australia	100%	100%
Investment Gateway Pty Ltd (Formerly MAP Financial Planning Pty Ltd)	Australia	100%	100%
MAP Funds Management Ltd	Australia	100%	100%
No More Practice Holdings Pty Ltd	Australia	100%	100%
No More Practice Education Pty Ltd	Australia	100%	100%
OneVue Financial Pty Limited	Australia	100%	100%
OneVue Fund Services Pty Ltd	Australia	100%	100%
OneVue Pty Limited	Australia	100%	100%
OneVue Services Pty Ltd	Australia	100%	100%
OneVue Super Member Administration Pty Limited	Australia	100%	100%
OneVue Super Services Holdings Pty Limited	Australia	100%	100%
OneVue Super Services Pty Limited	Australia	100%	100%
OneVue UMA Pty Limited	Australia	100%	100%
OneVue Unit Registry Pty Ltd	Australia	100%	100%
OneVue Wealth Solutions Pty Ltd (Formerly OneVue Wealth Services Pty Limited)	Australia	100%	100%
OneVue Wealth Services Pty Limited	Australia	100%	100%
Tranzact Consulting Pty Limited	Australia	100%	100%
Tranzact Financial Services Pty Limited	Australia	100%	100%
Tranzact Superannuation Services Pty Ltd	Australia	100%	100%



## 19. Parent entity information

Set out below is supplementary information about the parent entity.

### Statement of profit or loss and other comprehensive income

	Parent	
	2020	2019
	\$'000	\$'000
Profit after income tax	116	137
Total comprehensive income	116	137

### Statement of financial position

	Parent	
	2020	2019
	\$'000	\$'000
Total current assets	36,150	36,485
Total non-current assets	67,799	66,685
Total assets	103,949	103,170
Total current liabilities	135	1,234
Total liabilities	135	1,234
Equity		
Contributed equity	113,774	111,248
Share-based payment reserve	664	664
Accumulated losses	(10,624)	(9,976)
Total equity	103,814	101,936

There has been a restatement to the investment value in the comparative period. This has resulted in a restatement of the profit after tax and accumulated losses in the prior comparative period.

### Contingent liabilities

The parent entity's contingent liabilities as at 30 June 2020 are included in Note 23 (nil as at 30 June 2019).

### Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020 and 30 June 2019.

### Significant accounting policies of the parent entity

The accounting policies of the parent entity are consistent with those of the Group as disclosed in this financial report except for the parent entity's investments in subsidiaries and associates, which are accounted for at cost, less any impairment the parent entity.



## 20. Related party transactions

### Parent entity

OneVue Holdings Limited is the parent entity.

### Subsidiaries

Interests in subsidiaries are set out in Note 18.

### Associates

Interests in associates are set out in Note 21.

### Key Management Personnel

Disclosures relating to Key Management Personnel are set out in Note 15 and the remuneration report in the Directors' report.

### Transactions with related parties

There were no material transactions with related parties.

### Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

### Guarantees provided by related parties

OneVue is not the beneficiary of bank guarantees over assets held by related parties as at 30 June 2020.

## 21. Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates are set out below:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2020 %	2019 %
Gold Financial Pty Ltd	Australia	3.43%	3.43%

## 22. Contingent assets

Other than the potential proceeds from the sale of Madison and Sargon subsidiaries as detailed in Note 6(c), OneVue has no contingent assets as at 30 June 2020 (2019: \$Nil).

## 23. Contingent liabilities

### Proceeds on Sale of Sequoia Shares

OneVue received \$4.4million from the sale of the Sequoia Shares with respect to the Sargon Receivable. If OneVue is unsuccessful in its claim for the proceeds from the sale of shares in Sequoia, OneVue will be required to transfer those proceeds to Taiping. The matter is the subject of Court proceedings, and unless settled by agreement, will ultimately be determined by the Court. Refer to Note 6 (c) for further details.

## 23. Contingent liabilities (continued)

### Scheme of implementation related costs

OneVue has incurred costs in relation to the proposed Scheme (Refer note 27) to the point that it is capable of being submitted to the Group's Shareholders as a scheme of arrangement for their consideration.

If the Scheme is not implemented and if no Superior Proposal emerges and becomes effective, The Group expects to incur additional costs of approximately \$0.5 million.

## 24. Guarantees

OneVue has the following guarantees:

	2020 \$'000	2019 \$'000
Guarantee for ASX bond	500	500
Guarantees for rental bonds	1,613	1,602
Total guarantees	2,113	2,102

## 25. Litigation

OneVue may be involved from time to time in various claims and lawsuits incidental to the ordinary course of business. Based on legal advice obtained, other than the amounts already provided for in the accounts, the Directors do not expect any material liabilities to eventuate.

## 26. Commitments

Future minimum rentals payable under non-cancellable operating leases:

	2020 \$'000	2019 \$'000
Within one year	-	1,549
One to five years	-	3,339
Total commitments	-	4,888

From 1 July 2019, the Group adopted AASB 16 which required the operating leases to be capitalised as part of right-of-use assets. Refer to Note 29.1 for the assessment of the impact on the adoption of AASB 16.

The prior year operating lease commitments predominantly represents the commercial property leases of the Group to meet its office accommodation requirements.

The minimum lease repayments made in the year were \$2.79 million (2019: \$2.32 million).



## 27. Events after the reporting period

On 1 June 2020 OneVue entered into a binding Scheme Implementation Agreement (SIA) with Iress Limited (Iress) under which it is proposed that Iress will acquire 100% of the shares in OneVue by way of a Scheme of Arrangement (Scheme) at a consideration of \$0.40 cash per share. The Scheme is subject to a number of conditions precedent, including regulatory, Court and OneVue Shareholder approval.

It is anticipated that the Scheme Booklet in relation to the proposed Scheme will be sent to OneVue shareholders in early September 2020 and that OneVue shareholders will meet to vote on the Scheme in early October 2020.

On 17 July 2020 OneVue and Iress agreed to extend the End Date defined in the SIA to 31 December 2020.

There continues to be minimal impact from COVID 19 on the financial performance and financial position of OneVue.

No other matters or circumstances have arisen since 30 June 2020 that have significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## 28. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditors of OneVue, and unrelated firms. Audit fees paid by the funds are not included in the below table:

	2020 \$	2019 \$
<b>Audit and review services and other regulatory returns</b>		
Deloitte Touche Tohmatsu	354,150	390,700
<b>Audit and review services for non-consolidated managed funds and superannuation funds*</b>		
BDO East Coast partnership	35,302	64,443
Total Audit and review services	389,452	455,143
<b>Non-audit services – Controls and other assurance work</b>		
Deloitte Touche Tohmatsu	227,690	100,068
<b>Non-audit services - Tax and other services</b>		
Deloitte Touche Tohmatsu	31,604	4,964
BDO East Coast partnership	15,324	-
Total Non-audit services	274,618	105,031

## 29. Summary of significant accounting policies

Significant accounting policies adopted in the preparation of these consolidated financial statements have been disclosed in the relevant notes to the financial statements. All other accounting policies are outlined below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of OneVue Holdings Limited and its subsidiaries.

### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001 (Cth)*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

### Parent entity information

In accordance with the *Corporations Act 2001 (Cth)*, these financial statements present the results of OneVue only. Supplementary information about the parent entity is disclosed in Note 19.

### Foreign currency

Both the functional and presentation currency of OneVue is Australian dollars.

### Fair value

OneVue measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price OneVue would receive if it sold an asset or would have to pay to transfer a liability. More information is disclosed in the applicable notes.

### Coronavirus (COVID-19) impact

All OneVue businesses have continued to operate with minimal disruption to financial performance. This was demonstrated with OneVue exceeding budget for the year ended 30 June 2020. In response the pandemic OneVue moved quickly to 100% of staff working from home.

### New and amended standards adopted by OneVue

The principal accounting policies adopted in the preparation of the financial statements are set out in the relevant notes to the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

OneVue has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.



## 29. Summary of significant accounting policies (continued)

### AASB 16 Leases

AASB 16 replaced AASB 117 'Leases', provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The accounting model for lessees requires lessees to recognise all leases on balance sheet, except for short-term leases and leases of low value assets.

OneVue has applied AASB 16 from 1 July 2019 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117 identified all material leases and on transition.

### 29.1 OVH as a lessee

As a lessee, OVH recognises a right-of-use asset and a lease liability at the lease commencement date.

At transition, for leases classified as operating leases under AASB117, lease liabilities were measured at the present value of the remaining lease payments, discounted at OneVue's relevant incremental borrowing rates at 1 July 2019. Right-of-use assets were measured at their carrying amount as if AASB16 has been applied since the commencement of the lease, discounted using OneVue's incremental borrowing rate.

OneVue presents right-of-use assets within its own line in non-current assets and presents lease liabilities as interest bearing lease liabilities in the statement of financial position.

### Significant accounting policies

OneVue recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. The right-of-use assets are depreciated over the lease term using the straight-line method.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the OneVue's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability (recognised in Finance costs in the income statement) and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### Impact in the Financial statements

Impacts on the transition – 1 July 2019

On transition to AASB16, OneVue recognised additional right-of-use assets and additional lease liabilities, recognising the difference in retained earnings. The impact on transition is summarised below:

	1 July 2019 \$'000
Right-of-use assets	5,871
Lease liabilities	(6,212)
Retained earnings	341

Lease terms are up to 5 years. OneVue's incremental borrowing rate applied is 8%.

## 29. Summary of significant accounting policies (continued)

### Impacts for the period – 30 June 2020

As a result of initially applying AASB16, in relation to the leases previously classified as operating leases, OneVue recognised \$4,247 thousand of right-of-use assets and \$5,437 thousand of lease liabilities as at 30 June 2020.

	30 June 2020 \$'000
Impact on profit before tax	
Reduction in rent charges	1,891
Depreciation relating to AASB16 leases	(1,623)
Interest charge relating to AASB16 leases	(473)
Net impact on loss before tax	(205)

# DIRECTORS' DECLARATION

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 August 2020. The Directors have the power to amend and reissue the financial statements.

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001 (Cth)*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements
- the attached financial statements and notes thereto give a true and fair view of OneVue's financial position as at 30 June 2020 and of its performance for the financial year ended on that date
- 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 Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (Cth)*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001 (Cth)*.

On behalf of the Directors



**Ronald Dewhurst**  
Director

26 August 2020



The Board of Directors  
OneVue Holdings Limited  
Level 5, 10 Spring Street  
Sydney, NSW 2000

26 August 2020

Dear Directors

**Auditor's Independence Declaration to OneVue Holdings Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of OneVue Holdings Limited.

As lead audit partner for the audit of the financial report of OneVue Holdings Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit;

Yours faithfully

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



Frances Borg  
Partner  
Chartered Accountants

## Independent Auditor's Report to the Members of OneVue Holdings Limited

### *Opinion*

We have audited the financial report of OneVue Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p><b>Deferred consideration receivable</b></p> <p>As at 30 June 2020, the Group has recorded the following as disclosed in Note 6:</p> <ul style="list-style-type: none"> <li>Deferred consideration receivable of \$31 million written down to Nil relating to amounts receivable with respect to the sale of the Trustee Services business to Sargon; and</li> <li>Amounts of \$4.4m representing the cash received from the sale of the Sequoia Shares (being one of the securities used for the Sargon Receivables (the Sargon Receivable was secured, including under a general security deed, provided by a subsidiary of Sargon, SC Australia Holdings No 1 Pty Ltd (SCAH1) and registered on the Personal Property Securities Register). These proceeds are subject to a competing claim from China-Taiping and unless settled between parties, will be ultimately determined by the court. There is a risk that OneVue may be required to pay the proceeds already received from the sale of shares in Sequoia to China-Taiping.</li> </ul> <p>Due to the complexity of the Sargon structure and the nature and level of disputes and different competing claims from secured and unsecured creditors to the administrators and liquidators (including those from China Taiping) on the proceeds from the sale of Sargon entities, which will need to be negotiated or resolved by court action, the quantum and timing of any amounts that OneVue may receive or require to pay back from the Sargon receivable remains uncertain.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>holding discussions with management to understand the Group's course of action with regards to their ability to recover amounts currently in dispute and the process of recovering any proceeds from the sale of Sargon's operating entities (Diversa Trustee Limited and CCSL Limited) which are subject to Federal Court proceedings;</li> <li>Obtaining and testing details of cash receipt relating to the sale of Sequoia Shares;</li> <li>assessing all legal proceedings that are in progress relating to OneVue's disputes with China-Taiping and OneVue's claims relating to Sargon's trading entities;</li> <li>obtaining and reviewing management's workings relating to the valuation of any recognised receivable amount; and</li> <li>reviewing publicly available information and updates provided on the Sargon receivable to the ASX.</li> </ul> <p>We also assessed the appropriateness of the disclosures in Note 6 (c) to the financial statements.</p>
<p><b>Valuation of Goodwill and other intangible assets</b></p> <p>As at 30 June 2020, the Group held goodwill and other intangible assets amounting to 63.3 million as disclosed in Note 9 on which it is required to test annually for impairment.</p> <p>Determination of the 'Value in Use' of each Cash Generating Unit ("CGU"), being Funds Services and Platform Services (the Trustee Services CGU was sold during the year, see "Receipt of Deferred Purchase Price section below" for details), and whether or not an impairment charge is necessary, requires the exercise of significant judgement in relation to key assumptions including:</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>obtaining an understanding of management's key controls associated with the preparation of the impairment model and the impairment process for the identification of indicators of impairment;</li> <li>engaging our valuation specialist to assist in evaluating the impairment model prepared by management and the reasonableness of the key assumptions;</li> <li>testing on sample basis, the mathematical accuracy of the impairment model;</li> <li>assessing the appropriateness of management's basis of the allocation of goodwill between the CGU's of the Group;</li> </ul>

<ul style="list-style-type: none"> <li>• discount rates,</li> <li>• terminal growth rates,</li> <li>• weighted average cost of capital,</li> <li>• forecast future revenue growth, and</li> <li>• cost assumptions.</li> </ul>	<ul style="list-style-type: none"> <li>• comparing the 'Value in Use' estimate of each CGU to the carrying value of assets and liabilities allocated to each CGU, to assess any impairment of goodwill and intangibles;</li> <li>• performing sensitivity analysis around the key assumptions; and</li> <li>• comparing the accuracy of board approved budget for the previous financial year to actual numbers reported in the financial report for year ended 30 June 2020.</li> </ul> <p>We also assessed the appropriateness of the disclosures in Note 9 to the financial statements.</p>
<p><b>Deferred tax asset relating to tax losses</b></p> <p>As at 30 June 2020, the Group has recorded a net deferred tax asset of \$1.6 million relating to prior period tax losses incurred by the Group as disclosed in Note 5.</p> <p>Significant judgement is required in determining the recoverability of this deferred tax asset which is dependent on the generation of sufficient future taxable profits to utilise these tax losses.</p> <p>Should the proposed acquisition by Iress Limited go ahead, the available fraction and recoupment rules will govern the amounts of these losses that can be used in a single subsequent year. This requires an exercise of significant judgement and caution in relation to testing of the same business rule.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• assessing the appropriateness of management's assumptions relating to the forecasts of future taxable profits including consideration of the recoverability of the deferred tax asset should the Iress transaction take place.</li> <li>• evaluating the reasonableness of the assumptions underlying the preparation of these forecasts;</li> <li>• reviewing the reasonableness of Board approved budget for the previous financial year to actual numbers reported in the financial report for year ended 30 June 2020;</li> <li>• reviewing management's deferred tax calculation for mathematical accuracy, in accordance with the relevant Accounting Standards and Australian tax legislation; and</li> <li>• evaluating the impact of the proposed acquisition by Iress Limited on the recoverability of tax losses.</li> </ul> <p>We also assessed the appropriateness of the disclosures in Note 5 to the financial statements.</p>

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.



We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 17 to 28 of the Directors' Report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of OneVue Holdings Limited, for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

#### *Responsibilities*

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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Frances Borg  
Partner

Chartered Accountants  
Sydney, 26 August 2020





ASX additional information

# ASX ADDITIONAL INFORMATION

The shareholder information set out below is as at 19 August 2020 unless shown otherwise.

## Equity security holders

The names of the twenty largest security holders of quoted equity securities:

Rank	Name	No of shares	%
1	UBS NOMINEES PTY LTD	41,057,912	15.32
2.	ABTOURK (SYD NO 415) PTY LTD <MICHAEL JOHN COLE PSF A/C>	30,306,339	11.31
3.	CITICORP NOMINEES PTY LIMITED	21,818,659	8.14
4.	NATIONAL NOMINEES LIMITED	15,032,125	5.61
5.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,506,256	2.80
6.	NIGEL STOKES PTY LTD <NIGEL STOKES PTY LTD P/F A/C>	4,000,852	1.49
7.	SUPERTCO PTY LTD <TAG SMALL CAP FUND A/C>	4,000,000	1.49
8.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	3,910,998	1.46
9.	CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	3,605,242	1.35
10.	ABTOURK (SYD NO 376) PTY LTD	2,523,641	0.94
11.	STEPHEN J M KARRASCH	2,440,878	0.91
12.	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	2,166,747	0.81
13.	GINGA PTY LTD <T G KLINGER SUPER FUND A/C>	1,998,057	0.75
14.	KARRASCH PTY LTD <KARRASCH SUPERANNUATION FUND>	1,976,806	0.74
15.	EQUITY VAULT PTY LTD <KING FAMILY A/C>	1,924,881	0.72
16.	GRAYSON NOMINEES PTY LTD <GRAYSON INVESTMENT A/C>	1,600,000	0.60
17.	ARLJM INVESTMENTS PTY LTD <ARLJM FAMILY A/C>	1,536,428	0.57
18.	MS CONNIE BERNICE MCKEAGE	1,498,910	0.56
19.	STRATEGIC CONSULTANTS INTERNATIONAL PTY LTD <STRATEGIC ADVANTAGE S/F A/C>	1,349,678	0.50
20.	LISA MCCALLUM	1,267,976	0.47
TOP 20 HOLDERS OF FULLY PAID ORDINARY SHARES (TOTAL)		151,522,385	56.55
TOTAL REMAINING SHAREHOLDERS		116,407,668	43.45
TOTAL ISSUED CAPITAL		267,930,053	



## Distribution of equity securities

Analysis of number of equity security holders by size of holding as at 19 August 2020:

	1 to 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 100,000	100,001 and over
Holders	368	863	487	1,192	276
Shares	140,759	2,373,672	3,899,433	40,387,608	221,128,581
Percentage %	0.05	0.89	1.46	15.07	82.53
<b>Total holders</b>	<b>3,186</b>				
<b>Total shares</b>	<b>267,930,053</b>				

Total number of shareholders with less than a marketable a parcel of shares (valued at \$500 or less at \$ 0.3800 per unit): 454

## Unquoted equity securities as at 19 August 2020

	Number on issue/outstanding	Number of holders
Rights over ordinary shares	nil	0

## Substantial holders

The number of shares held by substantial holders (holding 5% or more of issued capital) as disclosed in notices given to the Company at 19 August 2020:

Shareholder	Shares held	% of shares issued capital
Thorney Investment Group*	46,929,334	17.52%
Abtourk Group**	34,117,932	12.73%

\* Thorney Technologies Ltd, Thorney Opportunities Ltd, Tiga Trading P/L

\*\* Abtourk group of companies and related parties

## Voting rights

The voting rights attached to ordinary shares are set out below:

### Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities entitled to vote.

## Escrow restrictions

There are no issued OneVue securities with escrow restrictions as at 19 August 2020.





## Corporate Directory



# CORPORATE DIRECTORY

## Directors

- Ronald Dewhurst (Chair)
- Stephen Knight
- Connie Mckeage (Managing Director)
- Garry Wayling

## Company Secretary

- Ashley Fenton

## Registered office and principal place of business

Level 5, 10 Spring Street  
Sydney NSW 2000  
Phone: (02) 8022 7400

## Share register

Computershare Investor Services Pty Limited  
Level 3  
60 Carrington Street  
Sydney NSW 2000  
Phone: 1300 850 505

## Auditor

Deloitte Touche Tohmatsu  
Grosvenor Place  
225 George Street  
Sydney NSW 2000

## Securities exchange listing

OneVue Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: OVH)

## Website

[www.onevue.com.au](http://www.onevue.com.au)



OneVue Holdings Limited  
ABN 15 108 221 870  
PO BOX R713, Royal Exchange NSW 1225  
Level 5, 10 Spring Street, Sydney NSW 2000  
P 1300 219 787 | F +61 2 8022 7448  
[enquiries@onevue.com.au](mailto:enquiries@onevue.com.au)  
[onevue.com.au](http://onevue.com.au)



*Strength in numbers* **ONEVUE**