ChimpChange Ltd

ABN 34 150 762 351

Financial report
For the year ended 30 June 2013

TABLE OF CONTENTS

Financial report

CHIMPCHANGE LTD
ABN 34 150 762 351

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 USD$
Revenue	2	2,068
Less: expenses		
Advertising expense		(876)
Finance costs		(260)
Consulting		(117,072)
Travel expense		(16,069)
Other expenses		(11,685)
		(145,962)
Profit / (loss) before income tax expense		(143,894)
Income tax expense	3	-
Net profit / (loss) from continuing operations		(143,894)
Other comprehensive income for the year		-
Total comprehensive income		(143,894)

The accompanying notes form part of these financial statements.

CHIMPCHANGE LTD
ABN 34 150 762 351

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	2013 USD$
Current assets		
Cash and cash equivalents	4	101,810
Receivables	5	258
Other assets	6	637
Total current assets		102,705
Non-current assets		
Intangible assets	7	46,918
Total non-current assets		46,918
Total assets		149,623
Net assets		149,623
Equity		
Share capital	8	372,299
Retained earnings / (Accumulated losses)		(222,676)
Total equity		149,623

The accompanying notes form part of these financial statements.

CHIMPCHANGE LTD
ABN 34 150 762 351

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Contributed equity USD$	Retained earnings USD$	Total equity USD$
Balance as at 1 July 2012	93,949	(78,782)	15,167
Profit/(loss) for the year	-	(143,894)	(143,894)
Total comprehensive income for the year	-	(143,894)	(143,894)
Transactions with owners in their capacity as owners:			
Contributions	278,350	-	278,350
Total transactions with owners in their capacity as owners	278,350	-	278,350
Balance as at 30 June 2013	372,299	(222,676)	149,623

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report preared for use by the directors and members of the company.

The financial report is for the entity ChimpChange Ltd as an individual entity. ChimpChange Ltd is a company limited by shares, incorporated and domiciled in Australia. ChimpChange Ltd is a for-profit entity for the purpose of preparing the financial statements.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Historical Cost Convention

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

(b) Foreign currency translations and balances

Functional and presentation currency

The financial statements are presented in Australian dollars which is the company's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies of the company are translated into functional currency at the rate of exchange ruling at the date of the transaction.

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

Except for certain foreign currency hedges, all resulting exchange differences arising on settlement or re-statement are recognised as revenues and expenses for the financial year.

(c) Revenue

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Income tax

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

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

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

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

(e) Financial instruments

Non-derivative financial instruments

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

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

Financial liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Research and development expenditure

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

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the entity is able to use or sell the asset; the entity has sufficient resource; and intent to complete the development and its costs can be measured reliably. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of its estimated useful life commencing when the intangible asset is available for use. The asset carrying value is reviewed for impairment annually and amounts are written off to the extent that realisable future benefits are considered to be no longer probable.

Other development expenditure is recognised as an expense when incurred.

(g) Impairment of non-financial assets

Intangible assets not yet ready for use are not subject to amortisation and are therefore tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

For an asset meaured at cost, an impairment loss is recognised in profit or loss where the carrying amount of the asset exceeds its recoverable amount.

(h) Employee benefits

(i) Short-term employee benefit obligations

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

(ii) Long-term employee benefit obligations

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Employee benefit obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Goods and services tax (GST)

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

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

	2013 USD$
NOTE 2: REVENUE AND OTHER INCOME	
Other revenue	
Interest income	2,068
	2,068

NOTE 3: INCOME TAX

(a) Prima facie tax payable

The net loss before income tax is reconciled to the income tax expense as follows:

	2013 USD$
Net loss subject to income tax - Australia	143,894
	143,894
Less:	
Tax losses not recognised - Australia	143,894
	143,894
Balance of net losses on which income tax benefit recognised	-

The gross value of total tax losses not recognised at 30 June 2013 is $222,038.

NOTE 4: CASH AND CASH EQUIVALENTS

	2013 USD$
Cash at bank	101,810

NOTE 5: RECEIVABLES

	2013 USD$
CURRENT	
Trade debtors	258

NOTE 6: OTHER ASSETS

	2013 USD$
CURRENT	
Other current assets	637

	2013 USD$
NOTE 7: INTANGIBLE ASSETS	
Patents, trademarks and licences at cost	1,131
Accumulated amortisation and impairment	-
	1,131
Software Development at cost	45,787
Accumulated amortisation and impairment	-
	45,787
Total intangible assets	46,918

Amortisation of intangible assets has not yet commenced as the assets are not yet in use. Useful lives consistent with the directors expectations of their ability to generate revenue will be determined in the 2016 financial year.

NOTE 8: SHARE CAPITAL

Issued and paid-up capital	
2,200 Ordinary Shares	372,299

Rights of each type of share

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

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