Lasseters
INTERNATIONAL

Casino · Hotel · Convention Centre · Spa and Wellness · Property Development

BUILDING
BEYOND TODAY

2015

LASSETERS INTERNATIONAL HOLDINGS LIMITED (200402223M) annual report

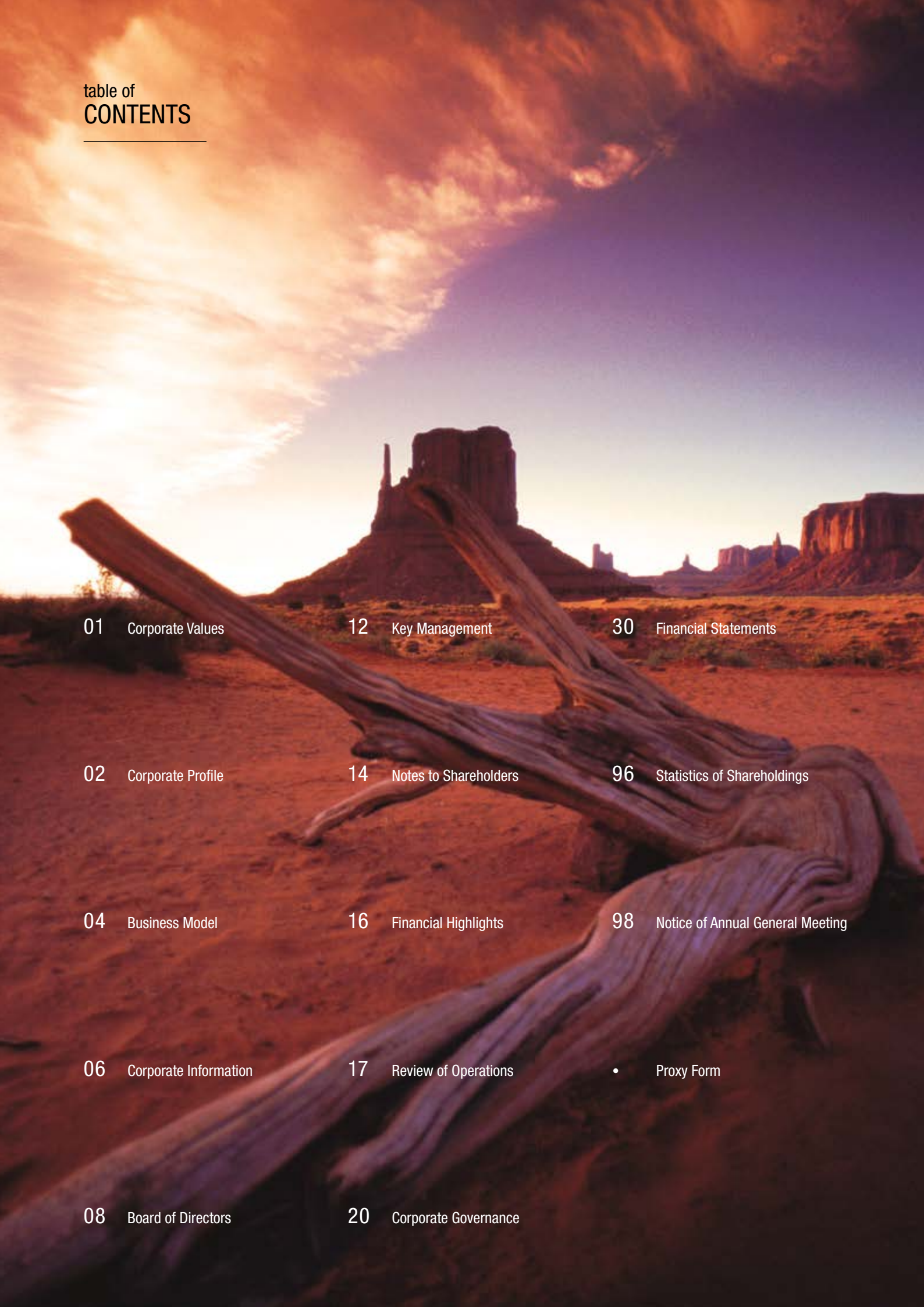






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CORPORATE VALUES

Mission

Lasseters aims to excel in its performance by enlarging its customer base and broadening its spectrum of businesses through casino development and expansion of its other core businesses. In so doing, it will evolve its business into an integrated resort destination with gaming still forming the core. Lasseters will venture into new markets, form strategic alliances and at the same time leverage on the synergies among its range of businesses.

Casino management and IT applications are envisaged to play a pivotal role in attracting players to Lasseters' gaming segment whilst the strong brand recognition for hospitality and spas, with each brand and product line targeting distinct market segment, is expected to enlarge the customer base of the hotels, convention centre and spa and wellness segments.



People

Lasseters' success in casino and hospitality industries is due in great part to its experienced, hardworking and dedicated staff. It is these professionals and their unrivalled wealth of know-how and expertise which help to give Lasseters the crucial edge over its competitors and provide its casino and guests with the high standards of service and hospitality that have come to be synonymous with Lasseters' business outfit.



Adherence to Government Regulations and Anti-Money Laundering/Counter Terrorism Financing

Lasseters is fully aware of the effects money laundering can have on society and so it whole-heartedly respects its obligation to ensure the legality and security of all its financial transactions. The Company takes all necessary precautions and measures to avoid and prevent any involvement whatsoever with such perfidy in its operations by working closely with experts and national authorities, and by adhering strictly to all relevant legislation. Lasseters' vast experience, strict financial procedures, network of security and financial experts ensure the financial integrity of all its casino operations.

Lasseters Hotel Casino in Alice Springs complies with the Gaming Control Act of Northern Territory ("NT"), the NT Code of Practice for Responsible Gambling and is committed to full compliance with the AML/CTF Act and Rules issued by The Australian Transaction Reports and Analysis Centre (AUSTRAC).



Internal Controls and Risk Management

Lasseters operates in an environment which requires the Company to conform to strict guidelines laid down by NT specific and national legislation. Standard operating procedures for gaming are well documented in internal control manuals which are endorsed by the relevant authorities and Board members from time to time.



Responsible Gaming

Lasseters takes its responsibility to society with the utmost seriousness and is committed to providing maximum entertainment with minimum risk to guests. Nonetheless, Lasseters understands the problems gambling can cause for some people. The Company actively promotes responsible gaming and their staff are fully trained to recognise and deal with such issues. Minors are restricted from access to the premises, credit gaming is prohibited and the opportunity to self-exclude from the venue is open to all patrons. Lasseters works closely with Local Community Groups and national authorities to implement appropriate measures and procedures to ensure strict adherence to the prevailing standards on harm minimisation.

CORPORATE PROFILE



Lasseters International Holdings Limited ("Lasseters" and its group of companies collectively known as the "Group") was established in February 2004 and officially listed on SGX-Sesdaq (the former Catalist Board) in May 2004. Lasseters started off as a land-based gaming group with complementary hospitality businesses in accommodation, food & beverage and convention centre services in Australia.

To expand its business portfolio, Lasseters expanded into spa and wellness markets with the acquisition of Cypress Lakes Group Limited ("CLGL") in July 2005. It has since evolved into a leisure and hospitality player with comprehensive service offerings in both gaming and non-gaming businesses.

The Group's business model generates revenue by offering a wide range of leisure and entertainment experiences through its hotel, casino, food & beverages, convention centre, health club, and spa and wellness. It operates in a jurisdiction where the gaming industry is well-developed, where there are stringent controls in place to ensure all gaming operators conduct their business in a well regulated environment. Most importantly, Anti-Money Laundering and Counter Terrorism Financing guidelines are strictly adhered to.

In addition, the Group is committed to conducting its casino business in line with world-class standards of excellence and integrity and in conformity with AS/NZS ISO 9001:2000, an international standard which requires strict systems of monitoring and auditing, designed to increase customer confidence and satisfaction.

Lasseters operates its core land-based gaming businesses under the tradename **Lasseters Hotel Casino**; spa and wellness business through CLGL under the premium brand name of "**The Golden Door**".



Land-Based Gaming Establishment

Lasseters Hotel Casino ("LHC") is nestled beneath the renowned MacDonnell Ranges, banks of the Todd River, next to the Ayers Rock or "Uluru" in Alice Springs, second largest town in the Northern Territory ("NT"), Australia. Alice Springs is renowned for arid environment consisting of several different deserts that offers a true Outback experience to both locals and tourists.

Originally constructed in 1981, LHC is the centre of entertainment in Alice Springs. This 4½ star establishment boasts 205 rooms and suites overseeing the nearby 18-hole Alice Springs Golf Club. LHC houses an international standard casino fully furnished with table games and gaming machines complemented by a comprehensive range of theme food & beverages ("F&B") outlets, executive gym and health club and other well-equipped amenities. LHC adjoins and manage the Alice Springs Convention Centre ("Convention Centre") that caters to the needs of the Meetings, Incentives, Conferencing and Exhibitions ("MICE") market.

LHC has participated actively in assisting and partnering with NT Tourist Commission and NT Government to jointly promote Alice Springs as a unique destination, through annual sponsorship in Alice Springs Master Games, Finke Desert Race, Imparja Cup and Lasseters Camel Cup and also supported the community with its donations. LHC was also synonyms of high quality and dependable services that customers can rely on for maximum satisfaction in the region. Several accolades won includes AHA Aristocrat Technology Award for Excellence for Best Restaurant, Best Sports Entertainment and Best NT Keno Venue; Brolga Northern Territory Tourism Award for Deluxe Accommodation. LHC was even awarded a Certificate of Excellence by TripAdvisor Travellers Choice Award 2013. Tali, our signature restaurant, was awarded the 2014 Northern Territory AHA restaurant of the year. In 2015, LHCwas awarded the AHA Best Marketed Hotel.

LHC complies with the Gaming Control Act of NT; the NT Code of Practice for Responsible Gambling; and rules issued by The Australian Transaction Reports and Analysis Centre (AUSTRAC).

Spa and Wellness

Cypress Lakes Group Limited ("CLGL") owns and operates spa and wellness businesses within Australia.

The spa and wellness segment is managed by The Golden Door Australia ("TGD") within CLGL and are branded under the market leading banner "The Golden Door". TGD offered all-inclusive health and wellness programs aimed at helping people improve their overall health and well-being in 3, 5 or 7-day packages. Activities offered within the programs; amongst others include Tai Chi, Pilates, Yoga, Deep Water running and hiking.

As part of the cost reduction strategy, CLGL was voluntarily delisted from Australian Securities Exchange on 9 December 2009.

Cypress is the winner several accolades such as Luxury Reborn Award for Peace, Beauty/ Spas' Harpers Bazaar/Belvedere Vodka Luxury Reborn Awards; Gourmet Traveler Travel Awards, Best Spa/Health Retreat; Spa Asia Crystal Awards, National Category, Best Spa in Australia; Luxury Travel Gold Awards in the Golden Door Health Retreat Elysia and the 'Australasia's Leading Spa Resort' - 13th World Travel Awards, to name a few.

Property Development

The Group owns 80% equity interest in Merry Palms Sdn Bhd ("MPSB"). MPSB is principally engaged in property development, management and related industries and through MPSB; the Group purchased a piece of leasehold land measuring seven acres in Malaysia to develop sixteen units of industrial factory lots. This is the Group's maiden property development project. Leveraging on the board's experience in the related industry of property development, the Group hope to diversify its revenue base and enhance shareholders' return through this new investment. MPSB has begun the development of sixteen units industrial factory lots on the said land in the first quarter in FY2013 and the project secured its certificate of practical completion in early September 2015.

BUSINESS MODEL





"Lasseters' business model offers and evolves a range of associated services, such as hotel, convention centre, spa and wellness, property development and a whole array of food & beverage options that revolve around its core gaming business. These services in turn assist in generating gaming patronage and revenue for the Group."

Core Business

The service quality, integrity, responsibility and respect for tradition that are reflected in all our business services are also driving forces behind our success.

Convention Centre

Spa and Wellness

Casino

Hotel

Property Development

CORPORATE INFORMATION



Board of Directors

Dato' Jaya J B Tan
Executive Chairman

Dato' Kamal Y P Tan
Non-Executive Director

Tan San Chuan
Executive Director

Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon
Independent Director

Teo Chee Seng
Independent Director



Company Secretaries

S Surenthiraraj @ S Suressh
Kok Mor Keat, ACIS



Registered Office

SGX Centre 2, #17-01
4 Shenton Way
Singapore 068807
Telephone : (65) 6361-9883
Facsimile : (65) 6538-0877



Share Registrar

Boardroom Corporate &
Advisory Services Pte Ltd
50 Raffles Place
Singapore Land Tower #32-01
Singapore 048623



Auditors

BDO LLP
Public Accountants and
Chartered Accountants
21 Merchant Road #05-01
Singapore 058267
Partner-in-charge: William Ng Wee Liang
(Appointed since the financial year ended
30 June 2012)



Solicitors

Morgan Lewis Stamford LLC
10 Collyer Quay
Ocean Financial Centre, Level 27
Singapore 049315

Mills Oakley Lawyers
Level 12
400 George Street
Sydney NSW 2000, Australia

Baker & Mckenzie
Level 19, CBW
181 William Street
Melbourne Victoria 3000, Australia



Principal Bankers

National Australia Bank Limited
Level 10, 22 - 28 King William Street
Adelaide SA 5000, Australia

Westpac Banking Corporation
91 King William Street
Adelaide SA 5000, Australia

CIMB Bank Berhad
50 Raffles Place #09-01
Singapore Land Tower
Singapore 048623

Malayan Banking Berhad
1st Floor, Menara Maybank
100 Jalan Tun Perak
50050 Kuala Lumpur, Malaysia

Affin Bank Berhad
14th Floor, Menara Affin
80 Jalan Raja Chulan
50200 Kuala Lumpur, Malaysia



Greater entertainment

From pampering to partying, there's no end to the list of things to do at our establishments, it's where your holiday goes from the ordinary to the spectacular.

BOARD OF DIRECTORS

Dato' Kamal Y P Tan

Dato' Jaya J B Tan





Tan San Chuan

Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon

Teo Chee Seng







BOARD OF DIRECTORS

DATO' JAYA J B TAN

Executive Chairman
Member of Nominating Committee

Dato' Jaya was appointed as a Director of the Company with effect from 26 February 2004 and assumed the current position of Executive Chairman on 1 September 2005. He graduated from the University of Arizona and is a Mechanical Engineer by training. He has extensive experience in forestry, property development, food retail operations, trading and financial services. He has served as Chairman of several companies quoted on the stock exchanges of Malaysia, United Kingdom, Singapore, Australia and India.

Currently, Dato' Jaya is the Chairman of Lasseters Corporation Limited and Cypress Lakes Group Limited in Australia. He is also the Chairman of Envictus International Holdings Limited, a company listed on the Singapore Stock Exchange ("SGX"). Dato' Jaya is the Vice Chairman of Park Hyatt Saigon, a 259-room 5-star hotel in Ho Chi Minh City, Vietnam and is also involved in gaming business in Papua New Guinea.

Dato' Jaya will retire at the forthcoming Annual General Meeting ("AGM") and offers himself for re-election. He is the brother of Dato' Kamal Y P Tan and uncle of Mr Tan San Chuan.

DATO' KAMAL Y P TAN

Non-Executive Director
Member of Audit, Remuneration and Nominating Committees

Dato' Kamal was appointed as a Director of the Company on 26 February 2004. He is an Economics graduate from the London School of Economics. He became an Executive Director from 3 April 2008 and was re-designated to Non-Executive Director on 31 December 2014.

Dato' Kamal has previously held board positions with companies listed on the stock exchanges in Malaysia, Singapore, Australia, United Kingdom and India.

Currently, Dato' Kamal is a Director of Lasseters Corporation Limited and Cypress Lakes Group Limited and the Group Chief Executive Officer of Envictus International Holdings Limited. Dato' Kamal is a Board member of Park Hyatt Saigon, a 259-room 5-star hotel in Ho Chi Minh City, Vietnam and is also involved in gaming business in Papua New Guinea.

Dato' Kamal was re-elected as Director at the AGM held in 2013. He is the brother of Dato' Jaya J B Tan and uncle of Mr Tan San Chuan.

TAN SAN CHUAN

Executive Director

Mr Tan was appointed as a Director of the Company on 15 September 2005. He is an Accounting and Finance graduate from the London School of Economics. On 3 October 2007, Mr Tan was re-designated as the Executive Director of the Company.

Prior to joining the Group, he was employed by KPMG and has gained experience in auditing. Mr Tan has also worked in a merchant bank in Malaysia in which he gained some experience in corporate finance through his involvement in mergers and acquisitions and corporate restructuring exercises.

Mr Tan is a Director of Lasseters Corporation Limited and Cypress Lakes Group Limited. He is also a Board member of Park Hyatt Saigon, a 259-room 5-star hotel in Ho Chi Minh City, Vietnam.

Mr Tan was re-elected as Director at the AGM held in 2014. He is the nephew of Dato' Jaya J B Tan and Dato' Kamal Y P Tan.

TAN SRI IR. KUAN PENG CHING @ KUAN PENG SOON

Independent Director
Chairman of Nominating Committee, Member of Remuneration and Audit Committees

Tan Sri Ir. Kuan was appointed as a Non-Executive Director of the Company on 27 February 2004 and was re-designated as Independent Director on 26 August 2010. He is a qualified Electrical Engineer graduated from Adelaide University, South Australia. He is registered with the Board of Engineers, Malaysia as a Professional Engineer and is also a member of Institution of Engineers, Malaysia.

Tan Sri Ir. Kuan is the Chairman of Fajarbaru Builder Group Bhd and Deputy Chairman of Star Publications (M) Bhd, both of which are listed on the Bursa Malaysia Securities Berhad.

Tan Sri Ir. Kuan is due for re-appointment as a Director pursuant to section 153(6) of the Companies Act, Chapter 50, at the forthcoming AGM.

TEO CHEE SENG

Independent Director
Chairman of Audit and Remuneration Committees, Member of Nominating Committee

Mr Teo Chee Seng was appointed as a Director of the Company on 26 February 2004. He holds a Bachelor of Laws (Hons) degree from the University of Singapore and is a lawyer in the Singapore private practice for more than 30 years.

Apart from the present directorship of the Company, Mr Teo is the Independent Director of Envictus International Holdings Limited and Soilbuild Construction Group Ltd, companies listed on the Singapore Stock Exchange, United Overseas Australia Ltd, which is listed on both Singapore and Australia stock exchanges and UOA Development Bhd, a company listed on the KLSE.

Mr Teo acts as the legal consultant to Tzu Chi Foundation, Taiwan's biggest charity organisation which is also an United Nations NGO.

Mr Teo was re-elected as Director at the AGM held in 2013.

KEY MANAGEMENT

PAUL WONG BAAN CHUN, JP.

Chief Executive Officer
Lasseters International Holdings Limited

Mr Paul Wong joined the Company as the Chief Financial Officer upon its listing on 24 May 2004 and was promoted to the position of Chief Executive Officer on 1 November 2013. He is a Fellow of the Chartered Association of Certified Accountants since 1994 and his professional background revolves around finance, treasury and corporate work with an international practice.

Prior to joining the Group, Paul has held various key financial positions in public companies listed on the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia), involved in investment holding, real estate and property development, stock broking, manufacturing and trading.

CRAIG JERVIS

Chief Operating Officer
Lasseters Hotel Casino

Mr Craig Jervis was appointed to the role in October 2014 after being with the company for 8 years in the non-gaming division, brining over 15 years of hospitality experience. He brings a solid business development approach and has a strong understanding of Australian tourism industry and local Alice Springs market.

Craig holds B.A. Hospitality & Tourism Management, Advance Diploma in Hotel Management and Diploma of Adult Tertiary Teaching. His community and professional involvement has included sitting on the Board of The Australian Hotel Associations (NT), Australian Tourism Export Council (NT) committee member, the Red Centre Economic Development committee, Casino Resorts Australia board and Chairman of the Alice Springs Liquor Accord.

BRIGID WALSH

General Manager
Golden Door Health Retreat & Spa, Elysia

Ms Brigid Walsh has a Bachelor of Sport Science and a Post Graduate Certificate in Management and has held senior leadership positions within the health and wellness industry for over 17 years. Her extensive experience in the management of high end service programs for The National Heart Foundation, Australian Sports Commission and Golden Door Health Retreats has resulted in the delivery of outstanding organisational outcomes whilst positively influencing thousands of lives. Brigid joined Lasseters in 2004 as Program Manager of Golden Door Health Retreat Queensland and was appointed General Manager of Elysia in the Hunter Valley in 2012. Brigid has taken a lead role in delivering “the ultimate health and well-being experience” and has been instrumental in maintaining Golden Door’s reputation as Retreat & Spa industry leaders.



Healthier way of living

Enjoy a world of health pleasures at our premier resorts. Melt away stress with the best body treatments anywhere. Flex your mind, nurture your spirit and let yourself soar.

NOTES TO SHAREHOLDERS



Dear Fellow Shareholders,

On behalf of the Board of Directors of Lasseters International Holdings Limited ("Company"), I am pleased to present to you the annual report of the Company and its subsidiaries ("Group") for the financial year ended 30 June 2015 ("FY2015").

FINANCIAL REVIEW

For the financial year under review, the Group has performed creditably despite the challenging economic conditions globally, and the Australian economy was also not spared. The Group recorded total revenue of AUD50.4 million in FY2015. This revenue was achieved without the revenue from the disposed business unit – namely the health retreat in Queensland ("QLD") of AUD2.2 million. Without the abovementioned, total revenue would have improved by 4.4% year-on-year ("y-o-y") or AUD52.6 million in FY2015 as compared to AUD50.4 million in the financial year 2014 ("FY2014"), where the disposed business entity was still within the Group.

The financial year witnessed the Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") position before exceptional items grow from AUD5.8 million in FY2014 to AUD7.5 million in FY2015. This can be pinned to the Group's continuous efforts to maximise market share and strong emphasis on cost efficiencies across its businesses.

CORPORATE DEVELOPMENT

During the year under review, the Group has mutually agreed to terminate the License Agreement for the use of 'The Biggest Loser' brand on 31 July 2014. Following the termination of the agreement, the Group has entered into conditional sale agreement with

Six Senses Mountain Resort Pty Ltd for the disposal of the freehold land and building in QLD on one of its subsidiaries for a consideration of AUD1.6 million. The disposal was completed on 10 December 2014.

Ancillary to the completion of the disposal of Cypress Lakes Resort ("resorts hotel") by the Group on 21 October 2013, a put and call option agreement with a two-year expiry term was entered to take over the ownership of the golf course and development land in the resorts hotel, with the expiry being two years from the date of completion or 20 October 2015.

The Company completed a one-for-one rights issue at SGD0.06 per share with the issue and allotment of 233,701,021 rights shares on 23 March 2015. The number of issued shares (excluding treasury shares) after the rights was increased from 249,469,521 to 483,170,542. The Company has raised net proceeds of SGD13.7 million, out of which SGD5.8 million was utilised for partial repayment of shareholders' loan, SGD3.7 million for prepayment of bank borrowings of the Group and SGD2.6 million for general working capital purposes. The above utilisation of the proceeds from the rights issue is in accordance with the intended uses of proceeds of the rights issue as stated in the offer information statement dated 27 February 2015.

One of our dormant companies, Lasseters Corporation Limited ("LCL") has entered into an agreement with Kings Knight Capital Limited ("Kings Knight") on 18 August 2015, pursuant to which Kings Knight will offer to acquire all of the issued shares of LCL by way of an off-market takeover bid. Kings Knight made the offer on 31 August 2015 and the offer closes on 30 September 2015. The Group intends to accept the offer in respect of 50.1% or more shares held and LCL will cease to be a subsidiary of the Group upon completion.

Most recently, the Group achieved another significant milestone by signing a revised Casino Operator's Agreement with the Northern Territory ("NT") Government in Australia on 2 September 2015, granting us a 16-year extension of exclusivity up to 30 June 2031, to operate a casino in Alice Springs with an option to extend a further term of five years. In conjunction with this, the shareholding threshold of the Company, where an individual would require a written probity clearance from the NT minister, has also been revised upwards from 5% to 10%. This is a great achievement as it would allow long term stable investors to the Group.

OUTLOOK

In the financial year 2016 ("FY2016") and with the total completion of the AUD45 million enhancement and expansion works, the Group will continue to seek growth in earnings through a greater focus on our guests' experience and prudent expense management – particularly on our flagship property, the Lasseters Hotel Casino. We will also continue to direct incremental investments to the business to further improve our guests' experience.

Meanwhile, the Group's spa and wellness division continues to focus on its premium brand name "The Golden Door", which has recently diversified into the "Corporate Wellness" segment to inspire holistic well-being and long-term changes in employees' lifestyle behaviour. We are optimistic on the future prospects of the corporate wellness market and are of the view it will contribute positively to the Group.

ACKNOWLEDGEMENT

Hon. Frederick Arthur Finch AM, who was appointed as a director of the Company on 27 February 2004 resigned on 31 December 2014. On behalf of the Board and Management, I extend our deep appreciation to Hon. Fred Finch for his valuable guidance and contribution during his term with us as a member of the Board, and wish him well in his future endeavours.

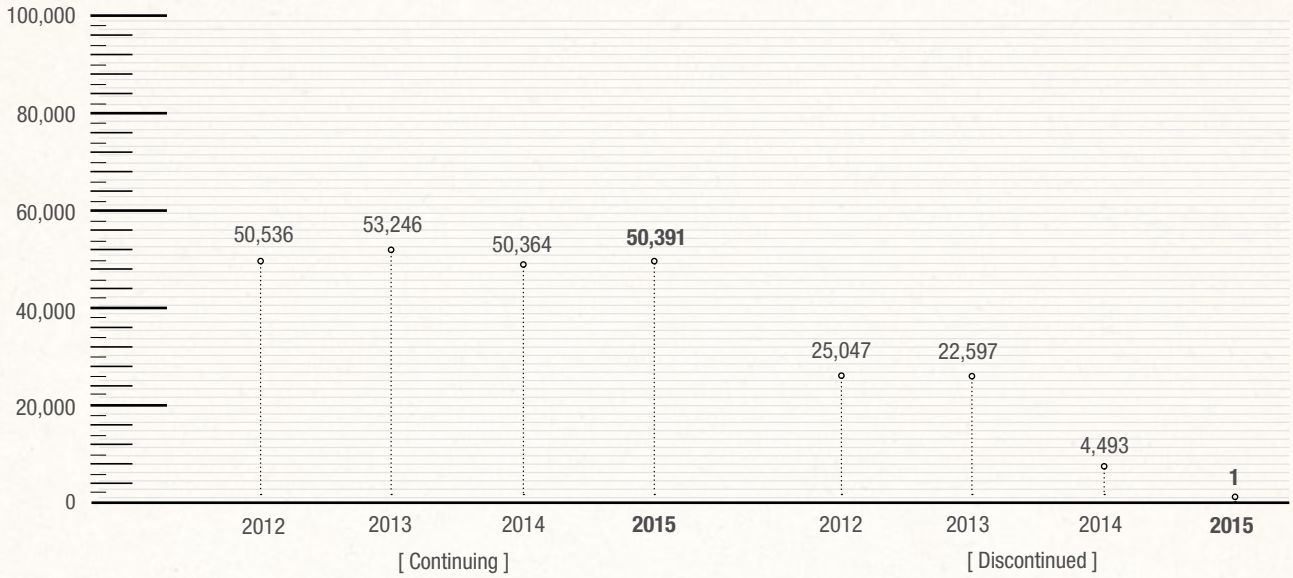
I would like to express my heartfelt appreciation to the various regulatory authorities, business partners and associates, bankers, suppliers and customers for their continuous support and trust that they have given us. To the staff and management, I wish to express my sincere thanks for your hard work and dedication. I would like to thank my fellow Directors for their invaluable counsel and advice.

Last but not least, to all my loyal shareholders, it was a privilege to obtain your unwavering support and votes of confidence. We will work to achieve our goal of creating value for you.

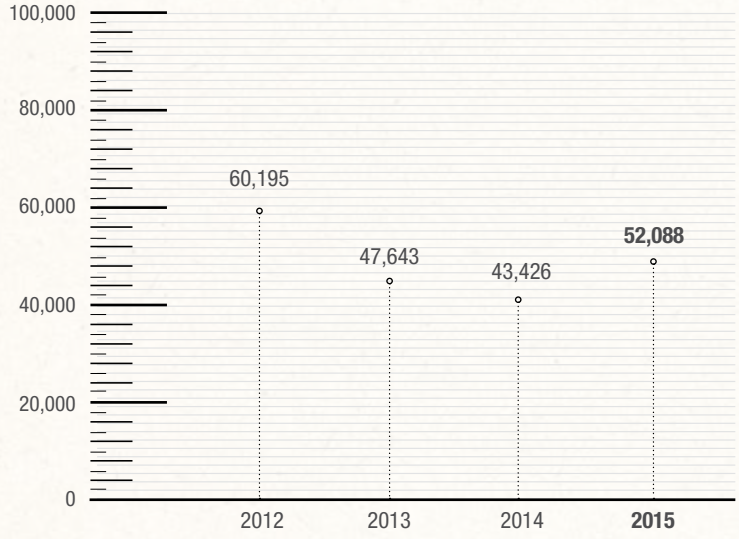
Dato' Jaya J B Tan
Executive Chairman

FINANCIAL HIGHLIGHTS

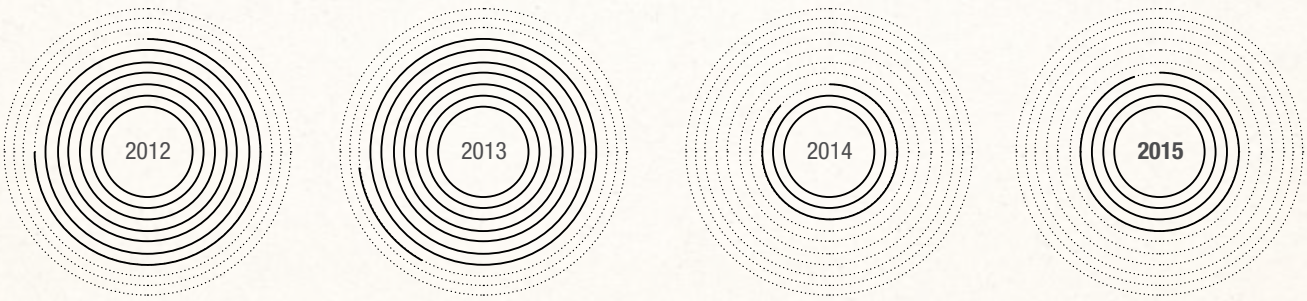
Revenue AUD ('000)



Net Asset Worth AUD ('000)

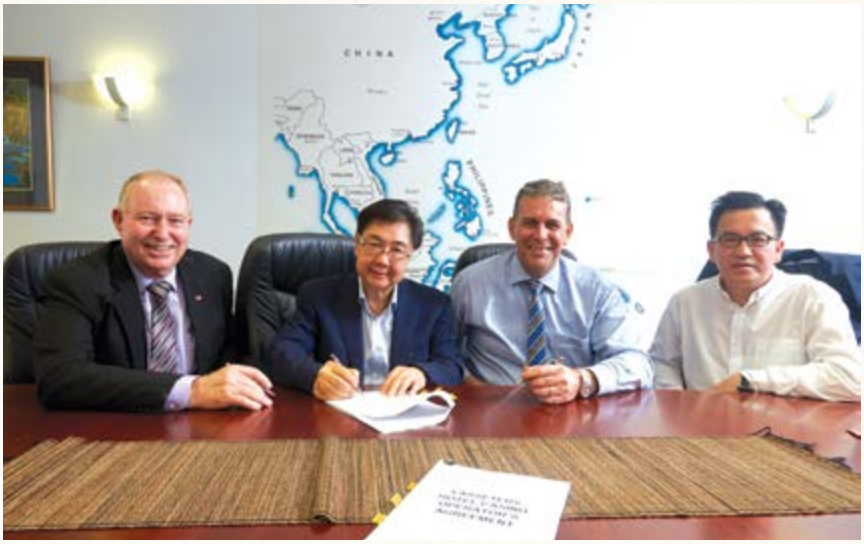


Profit/(Loss) After Tax* AUD ('000)



* Profit/(loss) after tax excludes impairment/(reversal) of impairment in value of property, plant and equipment and intangible assets, gain/(loss) on disposal of businesses, subsidiaries and property, plant and equipment and incidental costs on disposal.

Lasseters Hotel Casino ("LHC"), Australia



FY2015 was a landmark year for the Group as our flagship property, LHC successfully completed its AUD45.0 million expansion work within budget and secured the Northern Territory ("NT") Government's approval to extend the casino license exclusivity from 2015 to 2031, with an option to further extend for another five (5) years. The capital expenditure has scaled up LHC internationally into an integrated resort, offering a premier-class casino, a convention centre with state-of-the-art facilities, a fully-equipped commercial health club, a 4.5-star rating resort pool hotel and a varied-themed restaurant.

Set in the iconic outback in Central Australia, LHC is the primary destination for a lasting legacy of entertainment excellence in Alice Springs, NT. Armed with the new capital enhancements which offer a boulevard feel and refreshing outlook, LHC is providing clear evidence that the new venues, including the restaurants, bars and the Event Centre, continue to gain traction.

OPERATIONAL REVIEW

LHC delivered another successive year of stable earnings growth from both its gaming and non-gaming sectors amidst the weaker economic environment in Australia.

LHC continue to contribute the majority of the revenue growth during FY2015, yielding AUD42.3 million as compared to AUD40.2 million in FY2014. The gaming segments netted a 51.5% or AUD21.8 million revenue (FY2014: 55.5% or AUD22.3 million) despite disruptions to the main gaming floor during the year.

Non-gaming segments registered a staggering 14.5% growth y-o-y to AUD20.5 million in FY2015 against AUD17.9 million in FY2014, notwithstanding a lower government subsidy on the convention centre.

Operating costs increased by 5.8% to AUD38.2 million in FY2015 against AUD36.1 million in the corresponding period last year. This stemmed mainly from the additional depreciation expenses charged out from operating the newly completed venues under the expansion program and marketing spent and efforts directed to promote the new venue facilities during the year. Finance costs rose marginally and are in tandem with the facilities drawdown.

The additional spend in FY2015 on marketing and costs involved in nurturing its key management team is directed to further improve guests' experiences and laying the ground work for its future success. Despite this, LHC still yield an improved EBITDA of AUD10.6 million as compared to FY2014 of AUD10.3 million.

OUTLOOK

With the completion of the AUD45.0 million works, LHC offers Alice Springs a full precinct solution with town-wide impact, creates an iconic destination and a unique capacity to drive inbound tourism in close collaboration with the NT Government.

Throughout FY2015 and into FY2016, we have fiercely focused on the Alice Springs' business, through continued incremental investments across the properties to ensure that our guests enjoy the best that these current facilities have to offer.

LHC continued to receive recognition during the year with multiple awards such as the *2014 NT Brolga Best Deluxe Accomodation, 2014 Golden Plate Best New Establishment Tempo* and *2015 NT AHA Awards Best Marketed Hotel*.

There are three clear priorities for LHC in the current financial year. First, LHC will continue to seek growth in revenue and earnings through an optimisation program on its newly completed facilities; greater focus on our guests and prudent expense management.

Second, by executing incremental investments and leveraging on the strengthened leadership team, LHC will continue to be directed to further improve players' and guests' experience. This will primarily involve the reconfiguration and layout of food and beverages outlets, introduction of sporting venues within the main gaming floor, and rolling out "ticket in ticket out" (TITO) functionality.

Finally, LHC intends to enter into a partnership or franchising arrangement with an internationally-renowned hotel operator to maximise its room pricing and gain access to a wider coverage of hotel guests' profiles by tapping on the operator's centralised reservation and marketing systems; and group-wide loyalty program.

Continued improvements in operating results in FY2016 at LHC are anticipated as a result of these initiatives.

Cypress Lakes Group ("CLGL"), Australia

As part of the cost reduction strategy, CLGL was voluntarily delisted from the Australian Securities Exchange ("ASX") on 9 December 2009.

The Group continued its rationalisation exercise in FY2015 where The Golden Door Health Retreat - Willow Vale Pty Ltd ("TGD Willowvale") and Shine (Aust) Pty Limited mutually agreed to terminate the Licensing Agreement for the use of "The Biggest Loser" brand in July 2014. Following the termination of the agreement, the Group entered into a conditional sale agreement with Six Senses Mountain Resort Pty Ltd for the disposal of the freehold land and building of TGD Willowvale for a consideration of AUD1.6 million. The disposal was completed on 10 December 2014.

Moving forward, CLGL will focus on spa and wellness under the premium brand name of "The Golden Door".

OPERATIONAL REVIEW

In FY2015, CLGL recorded revenue of AUD8.1 million as compared to AUD14.3 million in FY2014. The reasons for this decline are twofold; firstly, due to 1 month's consolidation of revenue from the disposal of TGD Willowvale during the year and secondly, due to the absence of 3.75 months of consolidation impact from the disposal of CLR in FY2014. By removing these anomalies, CLGL recorded a healthy revenue growth of 4.0% from AUD9.9 million in FY2014 to AUD10.3 million in FY2015.

Operating expenses registered a decline of 46.2% or AUD8.4 million to AUD9.8 million in FY2015 from AUD18.2 million in FY2014. These cost savings are in line with the Group's strategies and reflect the continued benefits of the cost reduction program initiated since financial year 2013 ("FY2013").

CLGL ended the financial year 2015 with a pleasing outcome, reporting an EBITDA loss of AUD1.3 million against FY2014 of AUD3.3 million.



OUTLOOK

With the disposal of loss-making TGD Willowvale towards the end of calendar year 2014, the Group saw the completion of CLGL's rationalisation exercise and now is in a position to strategically align its resources to its spa and wellness business.

CLGL, through its subsidiary, TGD Elysia received acclaimed recognition as the Best Australian Health and Wellness Property in the *first Luxury Travel* magazine *Gold List* awards in 2015. Focusing on its brand standing, we will continue to concentrate on providing high quality and distinctly local experiences for our guests, which rely heavily on our teams being engaged and galvanised. Therefore, the past year has seen the business emphasis on team engagement as a means to support the delivery of organisational priorities.

CLGL exploited its strong industry fundamentals to diversify into the "Corporate Wellness" segment towards the end of December 2014, which aims to inspire holistic well-being and long-term changes in employees' lifestyle behaviour. By having a head-start in the sizeable untapped corporate market, we are confident that this will generate lucrative returns to the business as emphasis on staff wellness has gained precedence.

Merry Palms Sdn. Bhd. ("MPSB"), Malaysia

The Group's property development project comprises sixteen (16) units of industrial factory lots ("the Project") over a 7-acre leasehold land. Physical construction started in the first quarter of FY2013 and certificate of practical completion were issued in early September 2015.

Pending confirmation on certificate of completion and compliance, the factory lots will be handed over to purchasers towards the end of the calendar year 2015.

OPERATIONAL REVIEW

Despite having sold 70%, MPSB has not recognised any revenue and expenses relating to the construction as it adopted the completed contract method as per the requirements of FRS 11 Construction Contracts. Revenue and expenses will only be recognised in the Statement of Profit or Loss when significant risks and rewards of ownership on the properties have transferred to the buyers.

OUTLOOK

General market consensus on property development is that there could be a slowdown in Malaysia. In spite of these uncertainties, we believe there is still demand for industrial factory lots and landed residential developments from a growing population and requirements from small-medium scale industry, which will be an impetus to fuel further demands.

Leveraging on our prime location and positive appeal of the factory lots, we feel strongly that the balance unsold units will be disposed off inFY2016 and is expected to underpin improved results in this coming year.



Better experience

Contentment and a superior experience are hallmarks to our establishments. Each moment with us is an experience measured in unique and wonderful memories.

CORPORATE GOVERNANCE

The Directors and Management of Lasseters International Holdings Limited ("Lasseters" or the "Company") and its subsidiaries (collectively with the Company, the "Group") are committed to maintain high standards of corporate governance in order to protect the interests of its shareholders as well as enhance corporate performance and business sustainability. The Group will continue to uphold good corporate governance practices consistent with the principles of the Code of Corporate Governance (the "Code"), which forms part of the Continuing Obligations of the Singapore Exchange Securities Trading Limited ("SGX-ST")'s Section B: Rules of Catalist of the Listing Manual (the "Listing Manual").

This report outlines the Group's corporate governance processes and activities that were in place throughout the financial year, with specific reference to the Code as revised by the Monetary Authority of Singapore ("MAS") on 2 May 2012. Deviations from the Code, if any, are explained under the respective sections.

BOARD MATTERS

Principle 1: The Board's Conduct of its Affairs

The primary function of the Board of Directors (the "Board" or the "Directors") is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. The Board oversees the business affairs of the Group and has the overall responsibility for reviewing the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investments proposals, financial performance reviews and corporate governance practices.

In addition, the principal duties of the Board include:-

1. provides leadership and guidance on the overall strategic direction and business conduct of the Company;
2. reviews the performance of the Executive Chairman, Executive Director, Chief Executive Officer (the "CEO") and senior management executives and ensures they are appropriately remunerated;
3. reviews the adequacy and effectiveness of the Group's risk management and internal control systems including financial and operational compliance and information technology controls;
4. reviews and approves key operational and business initiatives, major funding proposals, significant investment and divestment proposals, corporate or financial restructuring, share issuance and dividends, the Group's annual budgets and capital expenditure, the Group's operating and financial performance, risk management processes and systems, human resource requirements, half-year and full-year financial results and other corporation actions; and
5. provides the management with advice on issues raised and at the same time monitors the performance of the management team.

Independent judgement

All directors exercise due diligence and independent judgement and make decisions objectively in the best interests of the Group.

Delegation by the Board

The Board has delegated certain of its functions to the Audit Committee (the "AC"), Nominating Committee (the "NC") and Remuneration Committee (the "RC"). These Board committees operate under clearly, defined terms of reference. The chairman of the respective Committees reports the outcome of the committees meetings to the Board.

Key features of board processes

The dates of the Board and board committee meetings are scheduled in advance to assist the directors in planning their attendance. The Board meets at least three times a year and as warranted by particular circumstances. Ad-hoc meetings are also convened to deliberate on urgent and substantive matters. Telephone attendance and conference via audio-visual communication at Board and board committee meetings are allowed under the Company's Articles of Association (the "Articles").

Directors' attendance at Board and Board committee meetings in FY2015

The attendance of the directors at meetings of the Board and Board committees is as follows:-

	Board	Audit Committee	Remuneration Committee	Nominating Committee
No. of meetings held in FY2015	3	2	2	1
Number of meetings attended				
Dato' Jaya J B Tan	3	n/a	n/a	1
Dato' Kamal Y P Tan[1]	3	1	n/a	n/a
Tan San Chuan	3	n/a	n/a	n/a
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	3	2	2	1
Teo Chee Seng	3	2	2	1
Hon. Frederick Arthur Finch[2]	3	1	2	1

Notes:-

[1] Dato' Kamal Tan was re-designated from Executive Director to Non-Executive Director with effect from 31 December 2014. He was appointed as member of the Audit Committee, Remuneration Committee and Nominating Committee on the same day. Dato' Kamal did not attend the meetings of Remuneration Committee and Nominating Committee during FY2015 because the meetings for the year were held prior to his appointment as member of the said committees.

[2] Hon. Fred Finch resigned as Director on 31 December 2014 and relinquished as member of the Audit Committee, Remuneration Committee and Nominating Committee on the same day.

n/a - not applicable as director is not a member of the committee.

Board approval

The Group has adopted a set of guidelines setting forth matters that require the Board's approval. The types of transactions that require the Board's approval, among others, include:-

1. Announcements of the half-year and full-year results;
2. Audited Financial Statements;
3. Convening of shareholders' meetings;
4. Declaration of interim dividends and proposal of final dividends;
5. Acceptance of financial facilities and issuance of corporate guarantee;
6. Annual operating and capital budgets;
7. Approval of material acquisition and disposal of assets; and
8. Interested person transactions.

Induction and training of directors

The Group conducts an orientation briefing to provide newly appointed Directors with a better understanding of the Group's business activities, strategic direction and policies, key business risks, governance practices and the Group's culture to enable them to integrate into their new roles. The Directors will be encouraged to attend appropriate training, conferences and seminars for them to stay abreast of relevant business developments and outlook.

The Board is briefed on recent changes on the accounting standards and regulatory updates. The CEO updates the Board at each meeting on business and strategic developments of the Group. As part of the Company's continuing education for Directors, Directors are provided with articles, reports and press releases relevant to the Group's business to keep them updated on current industry trends and issues.

No external training was attended by the directors in FY2015.

CORPORATE GOVERNANCE

Principle 2: Board Composition and Guidance

The Board comprises one Executive Chairman, one Executive Director, one Non-Executive Director and two Independent Directors.

Name	Age	Date of first appointment	Date of last re-election	Designation
Dato' Jaya J B Tan	67	26.2.2004	19.10.2012	Executive Chairman
Dato' Kamal Y P Tan	63	26.2.2004	29.10.2013	Non-Executive Director
Tan San Chuan	34	15.9.2005	29.10.2014	Executive Director
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	69	27.2.2004	29.10.2014	Independent Director
Teo Chee Seng	61	26.2.2004	29.10.2013	Independent Director

Each year, the NC reviews the size and composition of the Board and Board committees and the skills and core-competencies of its members to ensure an appropriate balance of skills and experience. These competencies include business acumen, legal, accounting and finance, management experience, industry knowledge, strategic planning experience, familiarity with regulatory requirements and knowledge of risk management. The Board considers its Directors to possess the necessary competencies and knowledge to lead and govern the Group effectively.

Taking into account the nature and scope of the Group's businesses and the number of Board committees, the Board considers the current board size as appropriate. The Board believes that the current composition and size provides sufficient diversity without interfering with efficient decision making. The Directors' academic and professional qualifications are presented under the section "Board of Directors" in this annual report.

The non-executive directors constructively challenge and help develop proposals on strategy and review the performance of the management team in meeting agreed goals and objectives and the reporting of performance. They are encouraged to meet regularly without the presence of management team.

Directors' independence review

A Director who has no relationship with the Group, its related corporations, officers or its shareholders with shareholdings of 10% or more in the voting shares of the Company that could interfere, or be reasonably perceived to interfere with the exercise of the director's independent business judgement in the best interests of the Company is considered independent.

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a director is independent. For the purposes of determining the directors' independence, every director has provided a declaration of their independence which is deliberated upon by the NC and the Board. After taking into account the views of the NC, the Board considers that the following directors are regarded non-independent directors of the company:-

Name of directors	Reasons for non-independence
Dato' Jaya J B Tan	As the Executive Chairman of the Company, Dato' Jaya J B Tan is employed by the Company. He is also deemed non-independent as he holds more than 10% of the Company's voting shares. Dato' Jaya J B Tan is the brother of Dato' Kamal Y P Tan and uncle of Mr Tan San Chuan.
Dato' Kamal Y P Tan	Dato' Kamal Y P Tan is also deemed non-independent as he holds more that 10% of the Company's voting shares. Dato' Kamal Y P Tan is the brother of Dato' Jaya J B Tan and uncle of Mr Tan San Chuan.
Tan San Chuan	As the Executive Director of the Company, Mr Tan San Chuan is employed by the Group. He is deemed non-independent. Mr Tan San Chuan is the nephew of Dato' Jaya J B Tan and Dato' Kamal Y P Tan.

Save for the abovementioned directors, all the other directors on the Board are considered by the NC and the Board to be independent directors.

The Board also recognises that independent directors may over time develop significant insights in the Group's business and operations and can continue to provide significant and valuable contribution objectively to the Board as a whole. When there are such directors, the Board will do a rigorous review of their continuing contribution and independence and may exercise its discretion to extend the tenures of these directors.

Independent directors, Mr Teo Chee Seng and Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon have each served on the Board for more than nine years. The NC has conducted a rigorous review of their contributions to the Board to determine if they have maintained their independence. The NC and the Board are satisfied with their continued independence in character and judgement in discharging their responsibilities as directors of the Company and found no evidence to indicate that the length of service has inany way affected their respective independence. Given their respective wealth of business, working experience and professionalism incarrying out their duties, the NC has found each of Mr Teo and Tan Sri Ir. Kuan suitable to act as independent directors.

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his/her duties as a Director of the Company. The NC is of the view that there is no current need to determine the maximum number of board representations a Director should have as the NC is satisfied that the Directors have been giving sufficient time and attention to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. Board and Board Committee meetings are scheduled in advance to facilitate the Directors' scheduling of their commitments.

The NC is satisfied that all Directors have discharged their duties adequately for the financial year ended 30 June 2015.

Principle 3: Chairman and Chief Executive Officer

The Chairman and the CEO functions in the Company are assumed by different individuals. The Executive Chairman is Dato' Jaya J B Tan and the CEO is Mr Paul Wong Baan Chun. There is a clear division of responsibilities between the Chairman and the CEO, which ensures the balance of power and authority at the top of the Company.

The Chairman is responsible for the effective workings of the Board and promoting high standards of corporate governance. He ensures that Board meetings are held when necessary and sets the Board meeting agenda in consultation with other Directors and the key management. He also reviews Board papers before they are presented to the Board to ensure that the information provided to the Board members is adequate. During the Board meetings, he facilitates effective contributions and constructive discussions on strategic issues and business planning from the executive and non-executive Directors.

The CEO manages and develops the businesses of the Group within the authorities delegated to him by the Board, ensuring implementation of policies and strategy across the Group as set by the Board, ensuring that the Chairman is kept appraised in a timely manner of issues faced by the Group and of any important events and developments, leading the development of the Group's future strategy including identifying and assessing risks and opportunities for the growth of its business, and reviewing the performances of its existing businesses.

Principle 4: Board Membership

The members of the Board committees of the Company are as follows:-

Directors	Audit Committee	Nominating Committee	Remuneration Committee
Teo Chee Seng	Chairman	Member	Chairman
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	Member	Chairman	Member
Dato' Kamal Y P Tan	Member	Member	Member
Dato' Jaya J B Tan	-	Member	-

NC composition

The NC comprises one executive Director, one non-executive Director and two independent non-executive Directors, one of whom is also the Chairman of the Committee. The members of the NC are as follows:-

Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon (Chairman)	Non-Executive, Independent
Teo Chee Seng (Member)	Non-Executive, Independent
Dato' Kamal Y P Tan (Member)	Non-Executive, Non-Independent
Dato' Jaya J B Tan (Member)	Executive, Non-Independent

The NC has adopted its terms of reference that describes the responsibilities of its members.

The NC decides how the Board should be evaluated and selects a set of performance criteria that is linked to long-term shareholders' value, to be used for performance evaluation of the Board.

The NC performs the following principal functions:-

- Reviews the structure, size and composition of the Board and makes recommendations to the Board;
- Identifies candidates and reviews all nomination for the appointment and re-appointment of members of the Board;
- Determines annually whether or not a Director is independent in accordance with the guidelines of the Code;
- Decides how the Board's performance may be evaluated and proposes objective performance criteria for the Board's approval; and
- Assesses the effectiveness of the Board as a whole, as well as the contribution by each member of the Board.

CORPORATE GOVERNANCE

The Board has power from time to time and at any time to appoint a person as a Director to fill a casual vacancy or as an addition to the Board. Any new Directors appointed during the year shall only hold office until the next Annual General Meeting ("AGM") and submit themselves for re-election and shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Presently, new directors are appointed by way of a board resolution after the NC approves and recommends to the Board for approval, subject to compliance with Lasseters' Articles governing new appointment of Directors. Article 90(2) of the Company provides that no director shall be appointed without the consent of the Northern Territory ("NT") Minister. Article 90(3) further provides that upon a director of Lasseters or, if required by a Gaming Authority or a Licence, any of Lasseters' subsidiaries being appointed, there shall be a period of 14 days during which Lasseters shall make an application(s) to the NT Minister for his consent for purposes of Article 90(2) above.

The revised Casino Operator's Agreement signed on 2 September 2015 removed the 14-days application period and new directors cannot be appointed until the consent of the Minister has been obtained. The Company proposed to change the relevant Articles in the forthcoming AGM to reflect the revised provisions of the Casino Operator's Agreement.

Discussions are currently ongoing to amend the revised Casino Operator's Agreement to reinstate the 14-days application period that had been present in the previous Casino Operator's Agreement. In the event that the revised Casino Operator's Agreement is amended to reinstate the 14-days application period before the forthcoming AGM, certain amendments to the Company's Articles which had been proposed to reflect the removal of the 14-days application period will no longer be required. Accordingly, the relevant resolutions will be withdrawn and will not be put to a vote at the forthcoming AGM.

Article 102 of Lasseters' Articles requires the Managing Director, Chief Executive Officer or President (or person holding an equivalent position) who is a Director to be subject to retirement by rotation.

Article 106 of Lasseters' Articles requires one third of the Board to retire by rotation at every AGM. The Directors must present themselves for re-nomination and re-election at regular intervals of at least once every three years.

In reviewing the nomination of the retiring directors, the NC considered the performance and contribution of each of the retiring directors, having regard not only to their attendance and participation at Board and Board Committee meetings but also the time and efforts devoted to the Group's business and affairs, especially their operational and technical contributions.

In considering the appointment of any new Director, the NC ensures that the new Director possesses the necessary skills, knowledge and experience that could facilitate the Board in the making of sound and well-considered decisions. For re-appointments, NC takes into account the individual Director's past contributions and performance.

The NC has recommended the nomination of Director retiring pursuant to Articles 102 and 106 of the Company's Articles, namely Dato' Jaya J B Tan, who will retire and submit himself for re-election at the forthcoming Annual General Meeting (the "AGM"). The NC is satisfied that Dato' Jaya is properly qualified for re-election by virtue of his skills and experience and his contribution and guidance to the Board's deliberation.

Dato' Jaya was appointed as a Director of the Company on 26 February 2004. He is currently the Executive Chairman of the Board and member of the NC.

Principle 5: Board Performance

The Board regularly reviews the performance of the Management in meeting agreed goals and objectives and monitors the reporting of performance.

A formal review of the Board's performance will be undertaken collectively and individually by the Board annually. The NC will also review the Board's performance informally with inputs from the other Board members and the Executive Directors. The evaluation exercise is carried out annually by way of a Board Assessment Checklist, which is circulated to the Board members for completion and thereafter, for the NC to review and determine the actions required to improve the corporate governance of the Company and the effectiveness of the Board and Board committees as a whole.

Principle 6: Access to Information

To assist the Board in its discharge of duties and responsibilities, all Directors are provided with adequate information in a timely manner by the management team on matters to be deliberated, thus facilitating informed decision-making. Directors are also updated on initiatives and developments for the Group's business whenever possible on an on-going basis.

The Board has separate and independent access to the Company's senior management and the Company Secretaries. At least one of the Company Secretaries attends the Board and Board committee meetings and is responsible for ensuring that board procedures are followed in accordance with the Memorandum of Association and Articles of the Company, and that applicable rules and regulations are complied with.

Management will, upon direction by the Board, get independent professional advice in furtherance of their duties, at the Company's expense.

Principle 7: Remuneration Committee
Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

The RC comprises one non-executive non-independent Director and two independent non-executive Directors, one of whom is also the chairman of the RC. The members of the RC are as follows:-

Teo Chee Seng (Chairman)	Non-Executive, Independent
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon (Member)	Non-Executive, Independent
Dato' Kamal Y P Tan (Member)	Non-Executive, Non-Independent

The role of the RC is to review and recommend remuneration policies and packages for directors and key executives and to disseminate proper information on transparency and accountability to shareholders on issues of remuneration of the executive Directors of the Group and employees related to the executive Directors and controlling shareholders of the Group.

The RC's review covers all aspect of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, long-term incentive schemes, including share schemes and benefits in kind. Recommendations are made in consultation with the chairman of the Board and submitted for endorsement by the entire Board. No Director is involved in deciding his own remuneration.

The Executive Chairman and Executive Director have entered into service agreements which link rewards with the Company corporate and individual performance to promote shareholders' interests, long-term success of the Group and risk management policies. The service agreements cover the terms of employment, specifically salary and other benefits. The RC has reviewed the Company's obligations arising in the event of termination of the Executive Chairman's and Executive Director's contracts of service and is of the view that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The Company currently does not have contractual provisions to reclaim incentive component of remuneration from the Executive Chairman and Executive Director and there are no excessively long or onerous removal clauses in these service agreements.

Primary functions performed by RC:-

- Reviews and recommends to the Board, a framework of remuneration for the Board and key executives taking into account factors such as industry benchmark, the Group's and individual's performance;
- Reviews the level of remuneration that are appropriate to attract, retain and motivate the directors and key executives;
- Ensures adequate disclosure on Directors' remuneration;
- Reviews and recommends to the Board the terms for renewal of Directors' service contracts; and
- Recommends to the Board, the executive share option schemes or any long-term incentive schemes which may be set up from time to time and does all acts necessary in connection therewith.

Remuneration paid to Directors and the CEO

Remuneration paid to the Directors and the CEO for FY2015 is as follows:-

	Salary[1] %	Directors' Fees[2] %	Bonus[3] %	Total Remuneration %
Directors				
SGD250,000 to below SGD500,000				
Dato' Jaya J B Tan	81.7	6.1	12.2	100.0
Below SGD250,000				
Dato' Kamal Y P Tan	-	100.0	-	100.0
Tan San Chuan	81.0	19.0	-	100.0
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	-	100.0	-	100.0
Teo Chee Seng	-	100.0	-	100.0
Hon. Frederick Arthur Finch AM[4]	-	100.0	-	100.0
CEO				
SGD250,000 to below SGD500,000				
Paul Wong Baan Chun	93.5	-	6.5	100.0

Notes:-

(1) Inclusive of benefits in kind, allowances and provident funds/superannuation paid by the Company and/or its subsidiaries, where applicable.

(2) Includes fees received from subsidiaries, where applicable.

(3) Bonus for FY2014 received in FY2015.

(4) Resigned on 31 December 2014.

The Company has not disclosed exact details of the remuneration of each individual Director and the CEO as due to the competitive pressures in the talent market, maintaining confidentiality on such matters would be in the best interest of the Company.

The Board is of the view that it is not in the interests of the Company to disclose the remuneration of the top five key management personnel (who are not Directors) within the bands of S$250,000 each, the breakdown of each individual's remuneration and the aggregate total remuneration due to the sensitive and confidential nature of such information and disadvantages that this might bring which among others include potential staff motivational and retention issues.

There is no termination, retirement and post-employment benefits granted to Directors, the CEO and the top five key management personnel.

Immediate family members of Directors

There are no immediate family members of Directors in employment with the Group and whose remuneration exceeds SGD50,000 during the FY2015 save and except for Dato' Jaya J B Tan and Mr Tan San Chuan, the remuneration of which has been disclosed above.

Principle 10: Accountability

The Board is accountable to shareholders for the stewardship of the Group. The Board updates shareholders on the operations and financial position of Lasseters through half-year and full-year results announcements as well as timely announcements of other matters as prescribed by the relevant rules and regulations. The management is accountable to the Board by providing the Board with the necessary financial information for the discharge of its duties.

Presently, the management presents to the AC the interim and full-year results and the AC reports on the results to the Board for review and approval before releasing the results to the SGX-ST and public via SGXNET.

For the financial year under review, the CEO (who also oversees all financial activities of the Group including corporate finance, treasury, accounting, financial reporting, internal control and enterprise risk management) and Executive Chairman have provided assurance to the Board on the integrity of the financial statements of the Group. The Board has also provided a negative assurance to the shareholders on the half-year results.

Principle 11: Risk Management and Internal Controls

The Board reviews the risk profile of the Group and ensures that there are robust risk management policies and internal controls in place. The Board has delegated the responsibility for setting the direction of the Group's risk management strategy to the management team. The key risks of the Group have been identified within a group risk framework that has been approved by the management and the AC.

The Group has established risk management policies, guidelines and control procedures to manage its exposure risks. Details of the various financial risk factors and the management of such risks are outlined in the financial statements.

It is part of the Board's role to ensure that there are adequate policies for risk management and internal controls and to oversee the effectiveness of the policies in achieving the Group's goals and objectives. The responsibility for implementing appropriate policies and procedures to achieve effective risk management and internal control is delegated to Senior Management. The overall framework established by the management is designed to enhance the soundness of the Group's financial reporting, risk management, compliance and internal control systems which include:-

- Processing improvement initiatives undertaken by business units;
- Benchmarking against key risk indicators, such as loss reporting, exceptions reporting and management reviews;
- Annual formal evaluations by the heads of business units and support functions on the soundness, effectiveness and efficiency of the financial reporting and risk management;
- Ensuring compliance and internal control systems in their respective areas of responsibility;
- Implementation of formal policies and procedures relating to the delegation of authority;
- Involving of experienced and suitably qualified employees to take responsibility for important business functions; and
- Segregation of key functions that are deemed incompatible and that may give rise to a risk that errors or irregularities may not be promptly detected.

There is an organisational structure with clearly drawn lines of accountability and delegation of authority. There are documented procedures in place that cover management accounting, financial reporting, investment appraisal, information systems security, compliance and other risk management issues.

The systems that are in place are intended to provide guidance in managing and mitigating the business risks in safeguarding assets, maintenance of proper accounting records, the reliability of financial information, compliance with applicable legislation and best practice, but not absolute assurance against misstatements or losses.

A system of internal controls has been implemented for all companies within the Group. The controls are designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably protected, proper accounting records are maintained and financial information used within the business and for publication is accurate and reliable.

Given the types of business conducted, the Group has to conform to strict guidelines laid down by the governments of NT, New South Wales ("NSW") and Queensland ("QLD") in Australia through specific legislation. Standard operating procedures of casino gaming are well documented in internal control manuals which have been endorsed by the respective governments. The respective governments are allowed to conduct random inspections on the day-to-day operations of the gaming business and to access the financial status, as well as to conduct checks on the Directors and Management. The internal accounting controls are reviewed by the Group's present external auditors as part of their audit.

While no system can provide absolute assurance against loss or misstatement, the management team, in designing the controls, had taken into account the business risk, its likelihood of occurrence and the cost of protection. During the financial year, the AC, on behalf of the Board, has reviewed the effectiveness of the various systems in place by the management team and is satisfied that there are adequate internal controls in the Group.

For the financial year under review, the CEO (who also oversees all financial activities of the Group including corporate finance, treasury, accounting, financial reporting, internal control and enterprise risk management) and the Executive Chairman have provided assurance to the Board that the system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks.

Principle 12: Audit Committee

The AC comprises one non-executive non-independent Director and two independent non-executive Directors, one of whom is also the chairman of the AC. The members of the AC are as follows:-

Teo Chee Seng (Chairman)	Non-Executive, Independent
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon (Member)	Non-Executive, Independent
Dato' Kamal Y P Tan (Member)	Non-Executive, Non-Independent

The principal responsibility of the AC is to assist the Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the Group's material internal controls, including financial, operational, compliance and risk management controls at least once annually, to safeguard the Company's assets and maintain adequate accounting records, with the overall objective of ensuring that the management creates and maintains an effective accounting control in the Group.

The AC has authority to investigate any matter within its terms of reference, gain full access to and co-operation by management, exercise full discretion to invite any Director or executive officer to attend its meetings, and gain reasonable access to resources to enable it to discharge its function properly.

The AC will meet with the external auditors without the presence of the management at least once a year to review the scope and results of the audit and its cost effectiveness, as well as the independence and objectivity of the external auditors.

The AC has undertaken a review of all non-audit services provided by the external auditors and is of the opinion that the provision of such services would not affect the independence of the auditors.

The members of the AC carried out their duties in accordance with the terms of reference which include the following:-

- review and discuss with external auditors before the audit commences, the nature and scope of the audit to ensure co-ordination where more than one audit firm is involved;
- review audit plans and results of the audit performed by the external auditors and ensure adequacy of the Group's system of accounting controls;
- review the financial statements of the Company and the consolidated financial statements of the Group before their submission to the Board;
- review the announcements of the financial results;
- review the adequacy of the internal audit function and the effectiveness of the Company's material internal controls;
- review independence of the external auditors;
- review interested person transactions;
- review the co-operation given by the management to the external auditors; and
- review the appointment and re-appointment of external and internal auditors of the Company and the audit fees.

The external auditors have full access to the AC who has the express power to conduct or authorise investigations into any matters within its terms of reference. Minutes of the AC meetings will be regularly submitted to the Board for its information.

The AC has reviewed the Group's risk assessment, and based on the audit reports and management controls in place, is satisfied that there are adequate internal controls in the Group.

For the year under review, the Group has accrued and paid an aggregate amount of audit and non-audit fees of AUD368,764, comprising audit fees of AUD82,876 to auditors of the Company; and AUD233,219 and AUD52,669 to other auditors for audit fees of the subsidiaries and non-audit fees respectively.

The Group has complied with Rules 712 and 715 of the Listing Manual in relation to its Auditors.

The AC has recommended the re-appointment of BDO LLP as auditors for the ensuing year, subject to shareholders' approval at the forthcoming AGM.

The Group has put in place a whistle-blowing policy, endorsed by the AC where employees of the Group and outside parties may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters and to ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow up actions.

Principle 13: Internal Audit

The main role of the internal audit function is to review the effectiveness of the system of internal controls. Internal audits are continuously carried out by designated personnel in the Group, in addition to random inspection by NT, NSW and QLD Governments and also internal accounting control reviews by the subsidiaries external auditors as part of their audit. They are responsible for ensuring that the Group's operational and financial controls comply with the strict guidelines laid down by the NT, NSW and QLD Governments through specific legislation and support the Audit Committee in its role of assessing the effectiveness of the Group's overall internal control system and assisting in the implementation of a risk management framework.

During the financial year, the Board with the concurrence of AC, after carrying out a review, is of the opinion that the internal controls of the Group are adequate and effective to address operational, financial, compliance risks and technology risks. In arriving at the opinion, the Board is of the view that the internal controls of the Group have reasonable assurance to achieving the effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and regulations.

Principle 14: Shareholder Rights

The Board ensures that all shareholders are treated fairly and equitably and the rights of all shareholders, including non-controlling shareholders, are protected.

Principle 15: Communication with Shareholders

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Board is mindful of the obligation to provide regular, effective and fair communication with shareholders. Besides the release of half-year results, the Company ensures timely and adequate disclosure of information on material matters required by SGX-ST's Listing Manual through announcements via the SGXNET. The Company does not practice selective disclosure of material information.

The Group welcomes the views of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad-hoc basis.

Dividend Policy

The Company does not have an official dividend policy. The amount of dividends, if any declared, will depend on the factors that include the Group's profit level, cash position and future cash needs. For FY2015, the Company did not declare any dividend as it is not in a profitable position.

Principle 16: Conduct of Shareholder Meetings

The Group strongly encourages shareholders' participation during the AGM. All shareholders are welcome to attend the AGM. The Board of Directors, the AC members and other committee members, the CEO, auditors and the Company Secretary/Secretaries will be present and are available to address any questions from shareholders regarding the Group and its businesses.

Material Contracts

No material contracts were entered into between the Company or any of its subsidiaries involving the interests of any Director, CEO or controlling shareholder, which are either subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year up to the date of the financial statements except for related party transactions and director's remuneration as disclosed in the financial statements.

Interested Person Transactions

Lasseters has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are conducted at arm's length basis. All interested person transactions are subject to review by the AC to ensure compliance with the established procedures.

The aggregate value of interested person transactions entered into during the year were as follows:-

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than SGD100,000)
Rental of office premises between Lasseters Management (M) Sdn Bhd and Motif Etika Sdn Bhd	RM528,000 (AUD183,898* or SGD199,245*)	-

* *Based on average exchange rate of AUD1 = RM2.8711 and SGD1 = RM2.65 for the financial year ended 30 June 2015.*

Dealings in Securities

All directors and officers of the Company and the Group are not allowed to deal in the Company's shares whilst in possession of unpublished price sensitive information.

In the course of doing business for the Company and the Group or in discussion with one of customers, vendors or partners, directors and officers of the Company and the Group may become aware of material non-public information about that organisation. Information is considered material if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to trade in the public securities of the Company. The discussion of this information is on a limited "need to know" basis internally and is not shared with anyone outside the Company or the Group. Directors and officers are not allowed to buy or sell the public securities of the affected organisations, including the Company, on the basis of such information, nor can this information be shared with others.

The Company and its officers should not deal with the Company's shares during the period commencing one month before the half-year or full-year results announcement, as the case may be, and ending on the date of announcements of the relevant results.

Catalist Sponsor

There was no non-sponsor fee paid to the sponsor for the year under review. However, the Group has paid to affiliates of the sponsor, Morgan Lewis Stamford LLC, an aggregate legal fees of SGD70,000 and Zico-Stamford Corporate Services Pte Ltd, an aggregate secretarial fees relating to deregistration of two subsidiaries of SGD4,000 in FY2015. As at 30 June 2015, the Group has accrued SGD7,600 as secretarial fee on retainer basis payable to Zico-Stamford Corporate Services Pte Ltd.

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REPORT OF THE DIRECTORS

The Directors of the Company present their report to the members together with the audited financial statements of the Group for the financial year ended 30 June 2015 and the statement of financial position of the Company as at 30 June 2015 and the statement of changes in equity of the Company for the financial year ended 30 June 2015.

1. Directors

The Directors of the Company in office at the date of this report are as follows:

Dato' Jaya J B Tan	(Executive Chairman)
Dato' Kamal Y P Tan	(Non-Executive Director)
Tan San Chuan	(Executive Director)
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	(Independent Director)
Teo Chee Seng	(Independent Director)

2. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3. Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Cap. 50 (the "Act"), none of the Directors of the Company holding office at the end of the financial year had any interests in the shares or debentures of the Company and its related corporations except as detailed below:

	Shareholdings registered in the name of Directors/Nominees	
	Balance as at 1.7.2014	Balance as at 30.6.2015
The Company	**Number of ordinary shares**	
Dato' Jaya J B Tan	47,184,270	95,868,540
Dato' Kamal Y P Tan	49,558,006	99,116,012
Tan San Chuan	9,057,668	18,115,336
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	4,521,239	39,042,478
Teo Chee Seng	200,000	400,000
Subsidiary		
Lasseters Corporation Limited		
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	1,355,531	1,355,531

By virtue of Section 7 of the Act, Dato' Kamal Y P Tan is deemed to have interests in the shares of all the subsidiaries of the Company, as at the end of the financial year. In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Directors' interests as at 21 July 2015 in the shares of the Company have not changed from those disclosed as at 30 June 2015.

4. Directors' contractual benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit which is required to be disclosed by Section 201(8) of the Act, by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in the financial statements.

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

The Company has implemented a share option scheme known as the "Lasseters Employee Share Option Scheme" ("ESOS"). The ESOS was approved and adopted by the Shareholders at an Extraordinary General Meeting of the Company held on 30 March 2004. No share options have been granted pursuant to the ESOS and the scheme has expired on 29 March 2014.

6. Audit Committee

The Company's Audit Committee comprises the following members, all of whom are Non-Executive Directors and a majority of whom, including the Chairman, are Independent Directors:

Teo Chee Seng (Chairman)
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon
Dato' Kamal Y P Tan

The Audit Committee meets periodically to perform (amongst others) the following functions:

a. review with the external independent auditor the audit plan, and the results of the external independent auditor's examination and evaluation of the system of internal accounting controls;

b. review the consolidated financial statements of the Group, statement of financial position and statement of changes in equity of the Company, and the external independent auditor's report on those financial statements, before submission to the Board of Directors for approval;

c. review the announcement of the financial results;

d. review the co-operation given by the management to the external independent auditor;

e. consider the appointment and re-appointment of the external independent auditor;

f. review and approve interested person transactions;

g. review potential conflict of interests, if any;

h. undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee; and

i. generally undertake such other functions and duties as may be required by statute or the provisions of Section B: Rules of Catalist of the Listing Manual of SGX-ST, and by such amendments made thereto from time to time.

The Audit Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

7. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

8. Additional disclosure requirements of the Listing Manual of the Singapore Exchange Securities Trading Limited

The auditors of the subsidiaries of the Company are disclosed in Note 14 to the financial statements. In the opinion of the Board of Directors and Audit Committee, Rule 712 and Rule 715 of the provisions of Section B: Rules of Catalist of the Listing Manual of SGX-ST have been complied with.

On behalf of the Board of Directors

Dato' Jaya J B Tan
Executive Chairman

Dato' Kamal Y P Tan
Non-Executive Director

16 September 2015

STATEMENT BY DIRECTORS

In the opinion of the Board of Directors,

(a) the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company together with the notes thereon are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards so as to give a true and fair view of the financial positon of the Group and of the Company as at 30 June 2015 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors

Dato' Jaya J B Tan
Executive Chairman

Dato' Kamal Y P Tan
Non-Executive Director

16 September 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LASSETERS INTERNATIONAL HOLDINGS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Lasseters International Holdings Limited (the "Company") and its subsidiaries (the "Group"), as set out on pages 36 to 95, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2015, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2015 and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
16 September 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	Note	Group 2015 AUD'000	2014 AUD'000
Continuing operations			
Revenue	4	50,391	50,364
Consumables		(4,530)	(4,339)
Employee benefits expense	5	(22,466)	(23,001)
Depreciation expenses	6	(6,942)	(6,847)
Villa lease rental		(1,531)	(1,906)
Advertising and promotional expenses		(2,016)	(3,205)
Gaming tax		(2,392)	(2,471)
Other operating expenses		(10,002)	(9,630)
Impairment in value of property, plant and equipment		(352)	(1,295)
Reversal of prior years' impairment in value of property, plant and equipment		1,032	-
Loss on disposal of property, plant and equipment		(1,284)	-
Gain on disposal of subsidiaries		-	1,880
Finance costs	7	(5,667)	(5,830)
Loss before income tax from continuing operations	8	(5,759)	(6,280)
Income tax	9	1,564	5,589
Loss for the financial year from continuing operations		(4,195)	(691)
Loss for the financial year from discontinued operations	10	(392)	(1,957)
Loss for the financial year		(4,587)	(2,648)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Reversal of revaluation reserve		-	(2,757)
Deferred tax relating to components of other comprehensive income		-	712
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(18)	707
Exchange differences on reclassification adjustments		-	(231)
Other comprehensive income for the financial year, net of tax		(18)	(1,569)
Total comprehensive income for the financial year		(4,605)	(4,217)
Loss for the financial year attributable to:			
Owners of the parent		(4,555)	(2,613)
Non-controlling interests		(32)	(35)
		(4,587)	(2,648)
Total comprehensive income for the financial year attributable to:			
Owners of the parent		(4,573)	(4,182)
Non-controlling interests		(32)	(35)
		(4,605)	(4,217)
Loss per share from continuing operations attributable to owners of the parent	11		
- Basic and diluted (AUD cents)		(1.33)	(0.27)
Loss per share from discontinued operations attributable to owners of the parent	10		
- Basic and diluted (AUD cents)		(0.13)	(0.78)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	Group 2015 AUD'000	Group 2014 AUD'000	Company 2015 AUD'000	Company 2014 AUD'000
Non-current assets					
Property, plant and equipment	12	147,788	150,993	1	1
Intangible assets	13	1,604	1,598	-	-
Investments in subsidiaries	14	-	-	14,554	14,554
Membership rights	15	38	38	38	38
		149,430	152,629	14,593	14,593
Current assets					
Inventories	16	591	686	-	-
Trade and other receivables	17	1,563	2,395	18,091	16,901
Property development costs	18	13,386	7,880	-	-
Current income tax recoverable		184	675	-	-
Cash and cash equivalents	19	4,677	2,353	2,111	101
		20,401	13,989	20,202	17,002
Assets classified as held for sale	20	3,010	3,035	-	-
		23,411	17,024	20,202	17,002
Less:					
Current liabilities					
Trade and other payables	21	18,654	20,999	1,551	4,806
Provisions for employee entitlements	22	1,108	1,153	66	66
Bank borrowings - secured	23	7,308	5,985	-	-
Finance lease payables	24	1,023	861	-	-
		28,093	28,998	1,617	4,872
Liabilities classified as held for sale	20	64	61	-	-
		28,157	29,059	1,617	4,872
Net current (liabilities)/assets		(4,746)	(12,035)	18,585	12,130
Less:					
Non-current liabilities					
Trade and other payables	21	225	206	-	-
Provisions for employee entitlements	22	490	410	-	-
Bank borrowings - secured	23	74,544	77,403	-	-
Finance lease payables	24	1,499	1,547	-	-
Deferred tax liabilities	25	15,838	17,602	2	2
		92,596	97,168	2	2
Net assets		52,088	43,426	33,176	26,721
Equity					
Share capital	26	57,554	44,287	57,554	44,287
Treasury shares	27	(426)	(426)	(426)	(426)
Foreign currency translation reserve	28	(3,464)	(3,446)	(1,717)	(1,717)
Revaluation reserve	29	46,535	46,535	-	-
Accumulated losses	30	(48,098)	(43,543)	(22,235)	(15,423)
Equity attributable to owners of the parent		52,101	43,407	33,176	26,721
Non-controlling interests		(13)	19	-	-
Total equity		52,088	43,426	33,176	26,721

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	Attributable to owners of the parent							
Group	**Share capital AUD'000**	**Treasury shares AUD'000**	**Foreign currency translation reserve AUD'000**	**Revaluation reserve AUD'000**	**Accumulated losses AUD'000**	**Total AUD'000**	**Non-controlling interests AUD'000**	**Total equity AUD'000**
Balance as at 1.7.2014	44,287	(426)	(3,446)	46,535	(43,543)	43,407	19	43,426
Loss for the financial year	-	-	-	-	(4,555)	(4,555)	(32)	(4,587)
Other comprehensive income for the financial year:								
Exchange differences on translating foreign operations	-	-	(18)	-	-	(18)	-	(18)
Total comprehensive income for the financial year	-	-	(18)	-	(4,555)	(4,573)	(32)	(4,605)
Contributions by owners								
Issuance of ordinary shares (Note 26)	13,267	-	-	-	-	13,267	-	13,267
Balance as at 30.6.2015	57,554	(426)	(3,464)	46,535	(48,098)	52,101	(13)	52,088
Balance as at 1.7.2013	44,287	(426)	(3,922)	48,580	(40,930)	47,589	54	47,643
Loss for the financial year	-	-	-	-	(2,613)	(2,613)	(35)	(2,648)
Other comprehensive income for the financial year:								
Exchange differences on translating foreign operations	-	-	707	-	-	707	-	707
Exchange differences on reclassification adjustments	-	-	(231)	-	-	(231)	-	(231)
Reversal of revaluation reserve	-	-	-	(2,757)	-	(2,757)	-	(2,757)
Deferred tax relating to components of other comprehensive income	-	-	-	712	-	712	-	712
Total comprehensive income for the financial year	-	-	476	(2,045)	(2,613)	(4,182)	(35)	(4,217)
Balance as at 30.6.2014	44,287	(426)	(3,446)	46,535	(43,543)	43,407	19	43,426

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

Company	Share capital AUD'000	Treasury shares AUD'000	Foreign currency translation reserve AUD'000	Accumulated losses AUD'000	Total equity AUD'000
Balance as at 1.7.2014	44,287	(426)	(1,717)	(15,423)	26,721
Loss for the financial year, representing total comprehensive income for the financial year	-	-	-	(6,812)	(6,812)
Contributions by owners					
Issuance of ordinary shares (Note 26)	13,267	-	-	-	13,267
Balance as at 30.6.2015	57,554	(426)	(1,717)	(22,235)	33,176
Balance as at 1.7.2013	44,287	(426)	(1,717)	(535)	41,609
Loss for the financial year, representing total comprehensive income for the financial year	-	-	-	(14,888)	(14,888)
Balance as at 30.6.2014	44,287	(426)	(1,717)	(15,423)	26,721

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	Group	
	2015 AUD'000	2014 AUD'000
Operating activities		
Loss before income tax from continuing operations	(5,759)	(6,280)
Loss before income tax from discontinued operations	(392)	(1,957)
	(6,151)	(8,237)
Adjustments for:		
Depreciation expenses	6,942	6,847
Impairment in value of property, plant and equipment	352	1,295
Reversal of prior years' impairment in value of property, plant and equipment	(1,032)	-
Loss on disposal of property, plant and equipment	1,284	-
Loss on disposal of businesses	-	545
Gain on disposal of subsidiaries	-	(2,055)
Allowance for impairment in value of trade receivables	48	309
Interest expense	5,653	6,263
Interest income	(27)	(43)
Operating cash flows before working capital changes	7,069	4,924
Working capital changes:		
Inventories	95	179
Trade and other receivables	779	(696)
Property development costs	(5,506)	(2,503)
Trade and other payables	(2,285)	(3,762)
Cash generated from/(used in) operations	152	(1,858)
Interest received	27	43
Interest paid	(5,653)	(6,263)
Income tax refunded/(paid)	291	(534)
Net cash used in operating activities	(5,183)	(8,612)
Investing activities		
Proceeds from disposal of subsidiaries	-	3,377
Proceeds from disposal of businesses	-	7,369
Proceeds from disposal of property, plant and equipment	1,572	-
Purchase of property, plant and equipment (Note 12)	(1,425)	(303)
Purchase of intangible assets	(6)	-
Foreign currency translation adjustment	(3)	15
Net cash from investing activities	138	10,458
Financing activities		
Proceeds from bank borrowings	2,647	212
Repayment of bank borrowings	(8,092)	(8,443)
Repayment of finance lease obligations	(383)	(207)
Proceeds from share issuance (Note 26)	13,267	-
Foreign currency translation adjustment	29	(1)
Net cash from/(used in) financing activities	7,468	(8,439)
Net change in cash and cash equivalents	2,423	(6,593)
Cash and cash equivalents as at the beginning of the financial year	1,841	8,189
Currency translation adjustment on cash and cash equivalents	(18)	245
Cash and cash equivalents as at the end of the financial year (Note 19)	4,246	1,841

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

These notes form an integral part of and should be read in conjunction with the financial statements.

1. General information

Lasseters International Holdings Limited (the "Company") is a public company limited by shares, incorporated and domiciled in the Republic of Singapore with its registered office at SGX Centre 2, #17-01, 4 Shenton Way, Singapore 068807. The Company does not have a place of business in Singapore at the date of this report. The Company's registration number is 200402223M.

The Company is listed on Catalist of the Singapore Exchange Securities Trading Limited.

The principal activities of the Company are those of an investment holding company and provider of management and technical services. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

The consolidated financial statements of the Company and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2015 were authorised for issue by the Board of Directors on 16 September 2015.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards ("FRS"), including related Interpretations of FRS ("INT FRS"), and are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Australian dollar ("AUD"), which is the functional and presentation currency of the Company and all values are rounded to the nearest thousand (AUD'000) except when otherwise indicated.

Although the Group has a negative working capital as at 30 June 2015 of AUD4,746,000 (2014: AUD12,035,000), the consolidated financial statements of the Group have been prepared on the basis that the Group is a going concern as in the opinion of the Directors of the Company, the Group would be able to meet its working capital needs and service debt obligations as and when they fall due without foregoing any necessary future capital expenditure based on its projected cash flows.

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have the most significant effect on the financial statements are disclosed in Note 3.

In the current financial year, the Group has adopted all the new and revised FRS and INT FRS that are relevant to its operations and effective for the current financial year. The adoption of these new or revised FRS and INT FRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years, except as detailed below.

FRS 110 Consolidated Financial Statements and FRS 27 (Revised) Separate Financial Statements

FRS 110 introduces a single new control model, as the basis for determining which entities are consolidated in the Group's financial statements. Under FRS 110, control exists when the Group has:

- power over an investee;
- exposure, or rights, to variable returns from the investee; and
- the ability to use its power over an investee to affect the Group's returns from the investee.

The Group has applied FRS 110 retrospectively, in accordance with the transitional provisions of FRS 110 and changed its accounting policy for determining whether it has control over an entity and whether it is required to consolidate that interest. The adoption of FRS 110 did not result in any changes to the control conclusions reached by the Group in respect of its involvement with other entities as at the date of initial adoption on 1 July 2014. The adoption of FRS 27 (Revised) did not result in any changes to the Group's or the Company's financial statements.

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

FRS 112 Disclosure of Interests in Other Entities

FRS 112 prescribes comprehensive disclosure requirements for all types of interests in other entities. It requires an entity to disclose information that helps users to assess the nature and financial effects of relationships with subsidiaries, associates, joint arrangements and unconsolidated structured entities. As the new standard affects only disclosure, there is no effect on the Group's financial position or performance. Certain new disclosures are included in these financial statements following adoption of FRS 112 on 1 July 2014.

FRS issued but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the following FRS that have been issued but not yet effective:

		Effective date (annual periods beginning on or after)
FRS 1 (Amendments)	: Disclosure Initiatives	1 January 2016
FRS 16 and FRS 38 (Amendments)	: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
FRS 16 and FRS 41 (Amendments)	: Agriculture: Bearer Plants	1 January 2016
FRS 27 (Amendments)	: Equity Method in Separate Financial Statements	1 January 2016
FRS 109	: Financial Instruments	1 January 2018
FRS 110 and FRS 28 (Amendments)	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
FRS 110, FRS 112 and FRS 28 (Amendments)	: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 111 (Amendments)	: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
FRS 114	: Regulatory Deferral Accounts	1 January 2016
FRS 115	: Revenue from Contracts with Customers	1 January 2017
Improvements to FRSs (November 2014)		1 January 2016

Consequential amendments were also made to various standards as a result of these new or revised standards.

Except as disclosed below, management anticipates that the adoption of the above FRS, where relevant, in future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

FRS 109 Financial Instruments

FRS 109 supersedes FRS 39 *Financial Instruments: Recognition and Measurement* with new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

Under FRS 109, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for certain equity investments, for which the Group will have a choice to recognise the gains and losses in other comprehensive income. A third measurement category has been added for debt instruments – fair value through other comprehensive income. This measurement category applies to debt instruments that meet the Solely Payments of Principal and Interest contractual cash flow characteristics test and where the Group is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets.

FRS 109 carries forward the recognition, classification and measurement requirements for financial liabilities from FRS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, FRS 109 retains the requirements in FRS 39 for de-recognition of financial assets and financial liabilities.

FRS 109 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model in FRS 39. This determines the recognition of impairment provisions as well as interest revenue. For financial assets at amortised cost or fair value through other comprehensive income, the Group will now always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition.

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

FRS issued but not yet effective (Continued)

FRS 109 Financial Instruments (Continued)

FRS 109 also introduces a new hedge accounting model designed to allow entities to better reflect their risk management activities in their financial statements.

The Group plans to adopt FRS 109 in the financial year beginning on 1 July 2018 with retrospective effect in accordance with the transitional provisions. There may be a potentially significant impact on the accounting for financial instruments on initial adoption. Due to the recent release of this standard, the Group has not yet made a detailed assessment of the impact of this standard, however the Group will be required to reassess the classification and measurement of financial assets and the new impairment requirements are expected to result in changes for impairment provisions on trade receivables and other financial assets not measured at fair value through profit or loss.

FRS 115 Revenue from Contracts with Customers

FRS 115 introduces a comprehensive model that applies to revenue from contracts with customers and supersedes all existing revenue recognition requirements under FRS. The model features a five-step analysis to determine whether, how much and when revenue is recognised, and two approaches for recognising revenue: at a point in time or over time. The core principle is that an entity recognises revenue when control over promised goods or services is transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FRS 115 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

On initial adoption of this standard there may be a potentially significant impact on the timing and profile of revenue recognition of the Group. Due to the recent release of this standard, the Group has not yet made a detailed assessment of the impact of this standard. The Group plans to adopt the standard in the financial year beginning on 1 July 2017 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses may be an impairment indicator of the asset concerned.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by other members of the Group.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under *FRS 39 Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate.

In the separate financial statements of the Company, investments in subsidiaries are carried at cost, less any impairment loss that has been recognised in profit or loss.

2.3 Business combinations

Business combinations from 1 July 2009

The acquisition of subsidiaries and businesses is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration also includes the fair value of any contingent consideration. Contingent consideration classified as a financial liability is remeasured subsequently to fair value through profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 103 Business Combinations are recognised at their fair values at the acquisition date.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Business combinations before 1 July 2009

In comparison to the above mentioned requirements, the following differences applied:

Business combinations were accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

2. Summary of significant accounting policies (Continued)

2.3 Business combinations (Continued)

Business combinations before 1 July 2009 (Continued)

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests were treated as a revaluation and recognised in equity.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that would otherwise have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was probable and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of business of the Group. Revenue is reduced for estimated customer returns, rebates, sales related taxes and other similar allowances.

Revenue from gaming is recognised upon the results of a game being determined when the amount of revenue can be measured reliably and it is probable that it will be received by the Group.

Revenue from food and beverages is recognised upon the billing of food and beverages to customers.

Revenue from rendering of services which include accommodation, convention centre, golf course, and spa and wellness are recognised when the service is rendered.

Revenue from the sale of goods is recognised when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods and retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Normally these criteria are met when the goods are delivered to and accepted by the buyer.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

The Group has a customer loyalty programme whereby casino patrons are awarded credits known as “Points” entitling casino patrons to the right to redeem throughout the property. The fair value of the consideration received or receivable in respect of the initial sale is allocated between the Points and the other components of the sale. The amount allocated to the Points is estimated by reference to the fair value of the right to utilise throughout the property. Such amount is deferred and revenue is recognised when the Points are redeemed and the Group has fulfilled its obligations to provide services. The amount of revenue recognised in those circumstances is based on the number of Points that have been redeemed in the property. Deferred revenue is also released to revenue when it is no longer considered probable that the Points will be redeemed.

2.5 Government subsidies

Government subsidies are recognised at the fair value in profit or loss where there is reasonable assurance that the subsidies will be received and all attaching conditions have been complied with.

When the subsidies relate to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. When the subsidies relate to an asset, the fair value is recognised as a deduction from the carrying amount of the asset and amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2. Summary of significant accounting policies (Continued)

2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

2.7 Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other financial years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is recognised at the amount expected to be paid or recovered from tax authorities and is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and the subsidiaries operate by the end of the financial year.

Current income taxes are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recognised in profit or loss, except when it relates to items recognised outside profit or loss, in which case the tax is also recognised either in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination, is taken into account in calculating goodwill on acquisition.

2. Summary of significant accounting policies (Continued)

2.7 Taxes (Continued)

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchase of assets or services is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

2.8 Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative profit or loss is re-presented as if the operation had been discontinued from the start of the comparative period.

2.9 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the financial year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the financial year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Australian dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.10 Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

2. Summary of significant accounting policies (Continued)

2.10 Property, plant and equipment (Continued)

Freehold land are stated at their revalued amounts, being the fair value at the date of revaluation. Freehold buildings/licensed casino are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Freehold land and freehold buildings/licensed casino are revalued with sufficient regularity such that the carrying amounts do not differ materially from that which would be determined using fair values at the end of the financial year.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

All other plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure relating to the property, plant and equipment that has already been recognised is added to the carrying amount of the property, plant and equipment when it is probable that the future economic benefits, in excess of the standard of performance of the property, plant and equipment before the expenditure was made, will flow to the Group, and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method, on the following bases:

	Years
Freehold buildings/licensed casino	22 to 50
Plant and equipment	1.5 to 10
Leased assets and leasehold improvements	2.5 to 20

No depreciation is charged on construction-in-progress as they are not yet in use as at the end of the financial year.

Freehold land is not depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

2.11 Intangible assets

Goodwill on business combinations

Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

2. Summary of significant accounting policies (Continued)

2.11 Intangible assets (Continued)

Goodwill on business combinations (Continued)

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

Business licences

Business licences represent New Zealand Gaming and Liquor Licences. Business licence is stated at cost less accumulated amortisation and impairment losses, if any. Amortisation on New Zealand Gaming and Liquor Licences utilised in the Group's leaseholds interests is recognised in profit or loss on a straight-line method over the lease term of the leasehold interests of 40 to 55 years.

Patents and trademarks

Patents and trademarks represent costs associated with the protection of the name "LASSETERS", "The Golden Door" and the stylised "L" used by the Group. Patents and trademarks are stated at cost less impairment losses, if any. No amortisation is provided on the cost of patents and trademarks as the management believes that the patents and trademarks have indefinite useful life arising from continuous renewals of registration.

Product development costs

Research costs are expensed as incurred.

Costs incurred in developing systems and delivery mechanisms to facilitate the generation of revenues are brought to account as product development costs. An intangible asset arising from product development costs is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development.

The carrying value of the product development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indication of impairment arises during the financial year.

2.12 Membership rights

Membership rights held on a long term basis are stated at cost less impairment losses, if any, based on a review at the end of each financial year.

2.13 Impairment of tangible and intangible assets excluding goodwill

At the end of each financial year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2. Summary of significant accounting policies (Continued)

2.13 Impairment of tangible and intangible assets excluding goodwill (Continued)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Cost is determined on a "first-in, first-out" basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Allowance is made for obsolete, slow-moving and defective inventories.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, bank overdrafts and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.16 Development properties

Property development costs

Development properties are held or developed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Property development costs include:

(i) Leasehold land;
(ii) Amounts paid to contractors for construction; and
(iii) Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs that can be allocated on a reasonable basis to these activities.

Where property is under development and agreement has been reached to sell such property when the construction is complete, the management considers whether the contract comprises:

- A contract to construct a property; or
- A contract for the sale of a completed property.

When a contract is judged to be for construction of a property, revenue is recognised using the percentage of completion method as construction progresses.

2. Summary of significant accounting policies (Continued)

2.16 Development properties (Continued)

Property development costs (Continued)

Where the contract is judged to be for the sale of completed property, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer (i.e. completed contract method).

If, however, the legal terms of the contract are such that the construction represents continuous transfer of work in progress to the purchaser, the percentage of completion method of revenue recognition method is applied and revenue is recognised as work progresses.

Completed contract method

All revenue, expenses and income will only be recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. If total contract cost exceeds total contract revenue, the amount of expected loss will be recognised immediately to profit or loss.

The management is of the view that revenue on this property development will be recognised under the completed contract method as the ownership of the real estate will be transferred to the buyer upon completion of the property. The said property is still in development stage and no revenue is recognised in the current financial year.

Property development costs are held as an asset and are stated at the lower of cost and net realisable value.

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables. Where billings to purchasers exceed revenue recognised in the profit or loss, the balance is shown as progress billings under trade and other payables.

2.17 Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell. The assets are not depreciated or amortised while classified as held for sale.

Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment losses.

2.18 Financial instruments

Financial assets and financial liabilities are recognised on the statements of financial position when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Financial assets

Financial assets are initially measured at fair value plus transaction costs.

The Group classifies its financial assets as loans and receivables. The classification depends on the nature and purpose for which these financial assets were acquired and is determined at the time of initial recognition.

2. Summary of significant accounting policies (Continued)

2.18 Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Non-derivative financial assets which have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost, using the effective interest method, less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The Group's loans and receivables in the statements of financial position comprise trade and other receivables (other than prepayments) and cash and cash equivalents.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each financial year. Financial assets are impaired where there is objective evidence that the estimated future cash flows of the assets have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amounts of all financial assets are reduced by the impairment loss directly with the exception of receivables where the carrying amounts are reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the assets at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition, any difference between the carrying amount and the sum of proceeds received and amounts previously recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Group classifies ordinary shares as equity instruments.

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

2. Summary of significant accounting policies (Continued)

2.18 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments (Continued)

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the accumulated profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

Financial liabilities

The Group classifies its financial liabilities as other financial liabilities.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing liabilities

Interest-bearing liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.6).

Financial guarantee contracts

The Company has issued corporate guarantee to a bank for borrowings of a subsidiary and this guarantee qualify as financial guarantees because the Company is required to reimburse the bank if the subsidiary breaches any repayment term.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of obligation under the contract recognised as a provision in accordance with *FRS 37 Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation in accordance with *FRS 18 Revenue*.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

2.19 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2. Summary of significant accounting policies (Continued)

2.20 Employee benefits

Provisions are made for employee entitlements arising from services rendered by employees to the end of the financial year. Employee entitlements expected to be settled within one financial year together with entitlements arising from salaries and wages, annual leave and sick leave which will be settled within one financial year have been measured at their nominal amount. Other employee entitlements payable later than one financial year have been measured at the present value of the estimated future cash flows to be made for those entitlements.

Defined contribution plans and employee superannuation funds

Contributions to defined contribution plans and employee superannuation funds are recognised as compensation expenses in profit or loss in the same financial year as the employment that gives rise to the contributions.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the end of the financial year.

2.21 Leases

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the statements of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to the acquisition, construction or production of qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see Note 2.6).

Operating leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and chief executive decision makers who make strategic decisions.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.1 Critical judgements made in applying the entity's accounting policies

In the process of applying the Group's accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements except as discussed below.

Impairment of investments in subsidiaries and financial assets

The Group and the Company follow the guidance of FRS 36 and FRS 39 on determining when an investment in subsidiary or a financial asset is impaired. This determination requires significant judgement. The Group and the Company evaluate, among other factors, the duration and extent to which the fair value of an investment in subsidiary or a financial asset is less than its cost and the financial health of the near-term business outlook for the investment or financial asset, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses, within the next financial year, are discussed below.

(i) Depreciation of property, plant and equipment

Other than freehold land and construction-in-progress, the Group's property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The management estimates the useful lives of these assets to be within 1.5 to 50 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of the Group's and the Company's property, plant and equipment (excluding freehold land and construction-in-progress) as at 30 June 2015 were AUD137,651,000 (2014: AUD134,971,000) and AUD1,000 (2014: AUD1,000) respectively.

(ii) Impairment of goodwill, patents and trademarks and product development costs with indefinite useful life

The management determines whether goodwill, patents and trademarks and product development costs with indefinite useful life are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill, patents and trademarks and product development costs with indefinite useful life are allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of the Group's goodwill, patents and trademarks and product development costs with indefinite useful life as at 30 June 2015 were Nil (2014: Nil), AUD1,591,000 (2014: AUD1,591,000) and AUD13,000 (2014: AUD7,000), respectively. Details of the value in use calculations are provided in Note 13 to the financial statements.

(iii) Revaluation of freehold properties

The Group's freehold properties reported at fair value less accumulated depreciation, where applicable, are based on the Directors' valuations and/or reviewed by independent professional valuers.

The Directors have exercised judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal value, market freehold rental and other factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuation estimates. The carrying amount of the Group's freehold properties revalued as at 30 June 2015 was AUD132,983,000 (2014: AUD131,949,000).

(iv) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the Group's provision for the income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(iv) Income taxes (Continued)

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provision in the financial year in which such determination is made. The carrying amounts of the Group's current income tax recoverable and deferred tax liabilities as at 30 June 2015 were AUD184,000 (2014: AUD675,000) and AUD15,838,000 (2014: AUD17,602,000) respectively.

4. Revenue

	Continuing operations		Discontinued operations		Total	
Group	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Gaming	21,770	22,472	-	-	21,770	22,472
Accommodation	6,527	5,657	-	1,824	6,527	7,481
Food and beverages	9,784	9,325	-	861	9,784	10,186
Spa and wellness	7,217	9,009	-	-	7,217	9,009
Convention centre	2,387	2,230	-	952	2,387	3,182
Golf course	-	-	-	370	-	370
Others	2,706	1,671	1	486	2,707	2,157
	50,391	50,364	1	4,493	50,392	54,857

5. Employee benefits expense

	Continuing operations		Discontinued operations		Total	
Group	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Wages, salaries and bonuses	17,983	18,797	-	2,232	17,983	21,029
Superannuation	1,623	1,601	58	188	1,681	1,789
Payroll tax	1,074	1,041	-	121	1,074	1,162
Provision made for employee entitlements	1,184	1,031	-	161	1,184	1,192
Staff amenities	367	358	-	2	367	360
Contributions to defined contribution plans	23	26	-	-	23	26
Other social expenses and employee benefits	212	147	-	5	212	152
	22,466	23,001	58	2,709	22,524	25,710

These expenses include the amounts shown as key management personnel remuneration in Note 32 to the financial statements.

6. Depreciation expenses

	Continuing operations		Discontinued operations		Total	
Group	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Depreciation expenses	6,942	6,847	-	-	6,942	6,847

7. Finance costs

	Continuing operations		Discontinued operations		Total	
Group	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Interest expenses on						
- commercial bills	3,981	3,934	-	423	3,981	4,357
- finance leases	187	152	-	23	187	175
- bank overdrafts	1,443	1,583	-	-	1,443	1,583
- others	42	148	-	-	42	148
	5,653	5,817	-	446	5,653	6,263
Bank charges	14	13	-	12	14	25
	5,667	5,830	-	458	5,667	6,288

8. Loss before income tax

The above is arrived at after charging/(crediting):

	Continuing operations		Discontinued operations		Total	
Group	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Audit fees						
- auditors of the Company	83	105	-	-	83	105
- other auditors	208	209	25	24	233	233
Allowance for impairment in value of trade receivables	-	-	48	309	48	309
Commission and charges	527	493	-	209	527	702
Foreign exchange loss/(gain), net	11	(53)	2	-	13	(53)
Loss on disposal of businesses	-	-	-	545	-	545
Loss on disposal of property, plant and equipment	1,284	-	-	-	1,284	-
Gain on disposal of subsidiaries	-	(1,880)	-	(175)	-	(2,055)
Government subsidies	(100)	(300)	-	-	(100)	(300)
Interest income from banks	(26)	(43)	(1)	-	(27)	(43)
Non-audit fees to auditors of the subsidiaries	49	125	4	8	53	133
Operating lease expenses, exclude villa lease rental	396	484	-	-	396	484
Professional fees	387	473	46	14	433	487
Repairs and maintenance	1,143	1,302	-	216	1,143	1,518
Sponsorships and complimentaries	956	804	-	-	956	804
Utilities	2,956	3,029	38	152	2,994	3,181

There are no non-audit fees paid/payable to the auditors of the Company.

9. Income tax

	Group 2015 AUD'000	2014 AUD'000
Continuing operations		
Current income tax		
- current financial year	141	87
- under/(over)provision in prior financial years	59	(215)
	200	(128)
Deferred tax (Note 25)		
- current financial year	(1,726)	(5,684)
- (over)/underprovision in prior financial years	(38)	223
	(1,764)	(5,461)
Total income tax in profit or loss	(1,564)	(5,589)

Reconciliation of effective tax rate

	Group 2015 AUD'000	2014 AUD'000
Loss before income tax from continuing operations	(5,759)	(6,280)
Loss before income tax from discontinued operations (Note 10)	(392)	(1,957)
	(6,151)	(8,237)
Income tax calculated at Australia's statutory tax rate of 30%	(1,845)	(2,471)
Effect of different tax rates in other countries	151	245
Tax effect of income not subject to tax	(1,594)	(5,732)
Tax effect of expenses not deductible for income tax purposes	564	1,620
Under/(Over)provision of current income tax in prior financial years	59	(215)
(Over)/Underprovision of deferred tax in prior financial years	(38)	223
Deferred tax assets not recognised in profit or loss	1,139	741
	(1,564)	(5,589)

10. Discontinued operations

On 9 September 2008, the shares of Lasseters Corporation Limited ("LCL") were voluntarily suspended from quotation at the request of LCL. LCL ceased taking new bets on its online casino and sportsbetting businesses with effect from 3 October 2008 and 20 October 2008 respectively. LCL is continuing these business operations to the extent necessary to meet ongoing obligations to customers, and to preserve the assets of the businesses.

On 20 September 2012, LCL entered into a Share Sale and Purchase Agreement with Isentric (Australia) Pty Ltd for the sale of its entire equity interest in its two wholly owned subsidiaries, Lasseters Casino Pty Ltd ("LCPL") and Lasseters Sportsbook Pty Ltd ("LSPL"), for cash considerations of AUD75,000 and AUD100,000 respectively. The sale of LCPL and LSPL was completed on 2 August 2013.

10. Discontinued operations (Continued)

On 19 July 2013, the Group through its subsidiaries, Cypress Lakes Group Limited ("CLG"), Cypress Lakes Villa Management Pty Ltd, Cypress Resort Management Pty Ltd, Cypress Lakes Golf and Country Club Pty Limited and The Golden Door Resort Spa – Cypress Lakes Pty Ltd (collectively known as "CLG Group") has entered into a conditional sale and purchase agreement with Hunter Valley (CL) Management Pty Ltd for the disposal of the property, assets and business of CLG Group, comprising, inter alia, freehold interest in lands, villa leases, golf course business and development lands (the "Disposal Assets"). These properties and assets are located at Cnr McDonalds and Thompsons Rd, Pokolbin Hunter Valley NSW 2320 ("Cypress Lakes Resort"). The disposal was completed on 21 October 2013 for an aggregate purchase consideration of AUD7.4 million. Ancillary to the completion of the disposal, a put and call option agreement has been entered into with the Purchaser for the disposal of lands at Cypress Lakes Resort, with the expiry being two years from the date of completion or 20 October 2015, for a consideration of AUD3 million.

Pursuant to *FRS 105 - Non-current Assets Held for Sale and Discontinued Operations*, the above businesses have been classified as assets/ liabilities held for sale and the results of the discontinued operations have been presented separately in the statements of financial position and the consolidated statement of comprehensive income respectively.

The results of the discontinued operations are as follows:

		Group	
	Note	2015 AUD'000	2014 AUD'000
Revenue	4	1	4,493
Consumables		-	(503)
Employee benefits expense	5	(58)	(2,709)
Villa lease rental		-	(613)
Advertising and promotional expenses		-	(24)
Other operating expenses		(335)	(1,773)
Loss on disposal of business		-	(545)
Gain on disposal of a subsidiary		-	175
Finance costs	7	-	(458)
Loss before income tax from discontinued operations	8	(392)	(1,957)
Income tax	9	-	-
Loss for the financial year from discontinued operations		(392)	(1,957)
Loss for the financial year attributable to:			
Owners of the parent		(392)	(1,955)
Non-controlling interests		-	(2)
		(392)	(1,957)
Basic and diluted loss per share (AUD cents)		(0.13)	(0.78)

10. Discontinued operations (Continued)

The cash flows of the discontinued operations included in the consolidated statement of cash flows are set out below:

	Group	
	2015 AUD'000	2014 AUD'000
Cash flows used in discontinued operations		
Operating activities	(392)	(6,278)
Investing activities	-	7,039
Financing activities	6	(266)
Net change in cash and cash equivalents	(386)	495

11. Loss per share

The calculations for loss per share are based on:

		Group	
	Note	2015 AUD'000	2014 AUD'000
Loss for the financial year attributable to owners of the parent		(4,555)	(2,613)
Continuing operations		(4,163)	(658)
Discontinued operations	10	(392)	(1,955)
		(4,555)	(2,613)
Weighted average (2014: Actual) number of fully-paid ordinary shares in issue during the financial year applicable to loss per share		312,856,921	249,469,521
Basic and diluted loss per share (AUD cents)		(1.46)	(1.05)
Continuing operations:			
Basic and diluted loss per share (AUD cents)		(1.33)	(0.27)

Basic loss per share is calculated by dividing the net loss for the financial year attributable to owners of the parent by the weighted average (2014: actual) number of ordinary shares in issue during the financial year. As the Group has no dilutive potential ordinary shares, the diluted loss per share is equivalent to basic loss per share.

12. Property, plant and equipment

Group	Freehold land AUD'000	Freehold buildings/ licensed casino AUD'000	Plant and equipment AUD'000	Leased assets and leasehold improvements AUD'000	Construction-in-progress AUD'000	Total AUD'000
Cost or valuation						
Balance as at 1.7.2014	10,000	145,046	26,913	2,935	6,022	190,916
Reclassification	-	7,662	2,858	(190)	(10,330)	-
Additions	-	138	832	498	4,445	5,913
Disposals	-	(2,856)	(17)	-	-	(2,873)
Balance as at 30.6.2015	10,000	149,990	30,586	3,243	137	193,956
Representing:						
Cost	-	-	30,586	3,243	137	33,966
Valuation	10,000	149,990	-	-	-	159,990
	10,000	149,990	30,586	3,243	137	193,956
Accumulated depreciation						
Balance as at 1.7.2014	-	17,005	14,631	1,254	-	32,890
Depreciation for the financial year	-	4,590	1,968	384	-	6,942
Disposals	-	-	(17)	-	-	(17)
Balance as at 30.6.2015	-	21,595	16,582	1,638	-	39,815
Allowance for impairment in value						
Balance as at 1.7.2014	-	6,092	941	-	-	7,033
Allowance for the financial year	-	352	-	-	-	352
Reversal for the financial year	-	(1,032)	-	-	-	(1,032)
Balance as at 30.6.2015	-	5,412	941	-	-	6,353
Carrying amount						
Balance as at 30.6.2015	10,000	122,983	13,063	1,605	137	147,788

12. Property, plant and equipment (Continued)

Group	Freehold land AUD'000	Freehold buildings/ licensed casino AUD'000	Plant and equipment AUD'000	Leased assets and leasehold improvements AUD'000	Construction-in-progress AUD'000	Total AUD'000
Cost or valuation						
Balance as at 1.7.2013	10,000	140,189	23,100	2,961	5,663	181,913
Reclassification	-	4,672	5,117	(602)	(9,187)	-
Additions	-	185	1,458	570	9,546	11,759
Disposals	-	-	(2,823)	-	-	(2,823)
Foreign currency translation adjustment	-	-	61	6	-	67
Balance as at 30.6.2014	10,000	145,046	26,913	2,935	6,022	190,916
Representing:						
Cost	-	-	26,913	2,935	6,022	35,870
Valuation	10,000	145,046	-	-	-	155,046
	10,000	145,046	26,913	2,935	6,022	190,916
Accumulated depreciation						
Balance as at 1.7.2013	-	12,396	14,376	1,428	-	28,200
Depreciation for the financial year	-	4,609	1,852	386	-	6,847
Reclassification	-	-	566	(566)	-	-
Disposals	-	-	(2,211)	-	-	(2,211)
Foreign currency translation adjustment	-	-	48	6	-	54
Balance as at 30.6.2014	-	17,005	14,631	1,254	-	32,890
Allowance for impairment in value						
Balance as at 1.7.2013	-	2,706	275	-	-	2,981
Allowance for the financial year	-	3,386	666	-	-	4,052
Balance as at 30.6.2014	-	6,092	941	-	-	7,033
Carrying amount						
Balance as at 30.6.2014	10,000	121,949	11,341	1,681	6,022	150,993

12. Property, plant and equipment (Continued)

	Plant and equipment AUD'000
Company	
Cost	
Balance as at 1.7.2014 and 30.6.2015	27
Accumulated depreciation	
Balance as at 1.7.2014	26
Depreciation for the financial year	-*
Balance as at 30.6.2015	26
Carrying amount	
Balance as at 30.6.2015	1
Cost	
Balance as at 1.7.2013 and 30.6.2014	27
Accumulated depreciation	
Balance as at 1.7.2013	25
Depreciation for the financial year	1
Balance as at 30.6.2014	26
Carrying amount	
Balance as at 30.6.2014	1

** Amount less than AUD1,000*

During the financial year, the Group carried out a review of the recoverable amount of its property, plant and equipment due to continuing operating losses incurred by certain subsidiaries. The review led to the recognition of an impairment loss of AUD352,000 (2014: AUD1,295,000) that has been recognised in profit or loss and Nil (2014: AUD2,757,000) in other comprehensive income.

During the financial year, the Group carried out a review of the recoverable amount of its freehold buildings in the Hotel, Spa and Wellness segment as there are indicators which show that impairment losses recognised in prior years may no longer exist or may be decreased following the improvements in its results. The review led to the recognition of a reversal of impairment loss of AUD1,032,000 that has been recognised in profit or loss. The recoverable amount is valued based on the value-in-use calculation using cash flow projections on financial budgets covering a 5-year period based on past performance and their expectations of the market development. The pre-tax discount rate applied to the cash flow projections is 13% and reflect specific risks relating to the segment. The growth rate used to extrapolate the cash flows beyond the 1-year period is based on revenue growth rate between 5% to 7%.

The freehold land and freehold buildings/licensed casino of the Group were revalued in the previous financial years using the discounted cash flow method. The fair value is considered level 3 recurring fair value measurement.

12. Property, plant and equipment (Continued)

If the Group's freehold land and freehold buildings/licensed casino were measured using the cost model, the carrying amounts would be as follows:

	Freehold land		Freehold buildings/ licensed casino	
Group	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Cost	3,685	3,685	78,137	73,292
Accumulated depreciation	-	-	(13,261)	(10,715)
Allowance for impairment in value	-	-	(5,412)	(6,092)
Carrying amount	3,685	3,685	59,464	56,485

Disposal of property, plant and equipment

On 31 July 2014, the Group, through a 99.9% owned subsidiary, The Golden Door Health Retreat - Willow Vale Pty Ltd ("TGD Willowvale") and Shine (Aust) Pty Limited, has mutually agreed to terminate the License Agreement for the use of "The Biggest Loser" brand. Following the termination of the agreement, the Group has entered into conditional sale agreement with Six Senses Mountain Resort Pty Ltd for the disposal of the freehold land and building of TGD Willowvale for a purchase consideration of AUD1.6 million. The disposal was completed on 10 December 2014 and on that date, control was passed to the acquirer.

As at the end of the financial year, the carrying amounts of property, plant and equipment which have been mortgaged as security for the bank facilities as set out in Note 23 to the financial statements were as follows:

	Group	
	2015 AUD'000	**2014 AUD'000**
Freehold land	10,000	10,000
Freehold buildings/licensed casino	122,983	121,949
Plant and equipment	13,056	11,331
	146,039	143,280

As at the end of the financial year, the carrying amount of plant and equipment which were acquired under finance lease agreements as set out in Note 24 to the financial statements were as follows:

	Group	
	2015 AUD'000	**2014 AUD'000**
Leased assets and leasehold improvements	1,605	1,681

Finance leased assets are pledged as security for the related finance lease liabilities.

12. Property, plant and equipment (Continued)

For the purpose of consolidated statement of cash flows, the Group's additions to property, plant and equipment during the financial year comprised:

	Group	
	2015 AUD'000	**2014 AUD'000**
Additions of property, plant and equipment	5,913	11,759
Acquired under bank borrowings	(3,991)	(10,885)
Acquired under finance lease agreements	(497)	(571)
Cash payments to acquire property, plant and equipment	1,425	303

Borrowing costs of AUD97,000 (2014: AUD290,000) which arose on the financing specifically entered into for the construction-in-progress were capitalised by the Group during the financial year.

As at 30 June 2015, the Group's freehold properties were as follows:

Location	**Description**	**Existing use**	**Gross land area (sqm)**	**Gross floor area (sqm)**
93 Barrett Drive Alice Springs Northern Territory 0871 Australia	Lasseters Hotel Casino	Hotel and casino	79,600	22,608
Lot 34, Thompsons Road Pokolbin New South Wales 2320 Australia	The Golden Door Health Retreat Elysia	Spa and wellness	182,100	6,000

As at 30 June 2015, the Group's leasehold interests were as follows:

Location	**Description**	**Existing use**	**Tenure of land (sqm)**	**Gross floor area (sqm)**
93 Barrett Drive Alice Springs Northern Territory 0871 Australia	Convention Centre	Convention centre	19 years from 2001	4,852
73 Seaworld Drive Main Beach QLD 4217 Australia	The Golden Door Spa and Club at Mirage	Spa and health club	19 years from 2003	5,534

13. Intangible assets

Group	Goodwill on business combinations AUD'000	Business licences AUD'000	Patents and trademarks AUD'000	Product development costs AUD'000	Total AUD'000
Cost					
Balance as at 1.7.2014	618	1,885	1,591	51	4,145
Addition	-	-	-	6	6
Written off	(618)	(1,885)	-	-	(2,503)
Balance as at 30.6.2015	-	-	1,591	57	1,648
Accumulated amortisation					
Balance as at 1.7.2014	-	238	-	-	238
Written off	-	(238)	-	-	(238)
Balance as at 30.6.2015	-	-	-	-	-
Allowance for impairment in value					
Balance as at 1.7.2014	618	1,647	-	44	2,309
Written off	(618)	(1,647)	-	-	(2,265)
Balance as at 30.6.2015	-	-	-	44	44
Carrying amount					
Balance as at 30.6.2015	-	-	1,591	13	1,604
Group					
Cost					
Balance as at 1.7.2013	1,676	1,885	1,591	51	5,203
Disposal of business	(1,083)	-	-	-	(1,083)
Foreign currency translation adjustment	25	-	-	-	25
Balance as at 30.6.2014	618	1,885	1,591	51	4,145
Accumulated amortisation					
Balance as at 1.7.2013 and 30.6.2014	-	238	-	-	238
Allowance for impairment in value					
Balance as at 1.7.2013 and 30.6.2014	618	1,647	-	44	2,309
Carrying amount					
Balance as at 30.6.2014	-	-	1,591	7	1,598

13. Intangible assets (Continued)

As at the end of the financial year, the carrying amounts of intangible assets which have been pledged as security for the bank facilities as set out in Note 23 to the financial statements were as follows:

	Group	
	2015 AUD'000	**2014 AUD'000**
Patents and trademarks	1,591	1,591
Product development costs	13	7
	1,604	1,598

Impairment tests for goodwill, patents and trademarks and product development costs with indefinite useful life

Goodwill, patents and trademarks and product development costs with indefinite useful life have been allocated to the Group's cash-generating units, which are reportable segments, for impairment testing in casino and spa and wellness segments.

Carrying amounts of goodwill, patents and trademarks and product development costs with indefinite useful life allocated to each of the Group's cash-generating units are as follows:

	Casino		Spa and Wellness		Total	
	2015 AUD'000	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Patents and trademarks	6	6	1,585	1,585	1,591	1,591
Product development costs with indefinite useful life	-	-	13	7	13	7
	6	6	1,598	1,592	1,604	1,598

The recoverable amount is valued based on a value-in-use calculation using cash flow projections on financial budgets covering a 5-year (2014: 5-year) period based on past performance and their expectations of the market development. The pre-tax discount rate applied to the cash flow projections is 14% (2014: 10%) and reflect specific risks relating to the segment. The growth rate used to extrapolate the cash flows beyond the 1-year period is based on revenue growth rate between 5% to 11.8% (2014: 6% to 8%).

If any one of the following changes were made to the above key assumptions, the carrying amount and recoverable amount would be equal.

Discount rate	Increase from 14% to 17%
Revenue growth rate	Decrease from 5% - 11.8% to 3% - 9.8%

14. Investments in subsidiaries

	Company	
	2015 AUD'000	**2014 AUD'000**
Quoted equity shares in a corporation, at cost	243	243
Less: Allowance for impairment in value	(243)	(243)
	-	-
Unquoted equity shares in corporations, at cost	26,201	26,201
Less: Allowance for impairment in value	(11,647)	(11,647)
	14,554	14,554
	14,554	14,554

14. Investments in subsidiaries (Continued)

Movement in allowance for impairment in value during the financial year was as follows:

	Company	
	2015 AUD'000	**2014 AUD'000**
Balance as at the beginning of the financial year	11,890	6,488
Allowance for impairment in value	-	5,402
Balance as at the end of the financial year	11,890	11,890

As at 30 June 2015 and 30 June 2014, there is no market value for the above quoted equity shares held by the Company as the shares of the subsidiary are currently under voluntary suspension from quotation as set out in Note 10. As such, the cost of investment was fully impaired.

As at the end of the financial year, the Company carried out a review on the recoverable amount of its investments in subsidiaries. Based on the review, the allowance for impairment in value of investments in subsidiaries is adequate.

Particulars of the subsidiaries are as follows:

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by		Proportion of ownership interest held by non-controlling interests	
				2015 %	2014 %	**2015 %**	2014 %
	Held by the Company						
[1]	Lasseters Investments Pte. Ltd.	Singapore	Investment holding company	100	100	-	-
[1]	Lasseters International Pte. Ltd.	Singapore	Investment holding company	100	100	-	-
[1]	Lasseters Interactive Gaming Pte. Ltd.	Singapore	Investment holding company	100	100	-	-
[2]	Lasseters Holdings Pty Ltd	Australia	Investment holding company	100	100	-	-
[3]	Lasseters Management (M) Sdn Bhd	Malaysia	Provision of management services	100	100	-	-
[3]	Merry Palms Sdn Bhd	Malaysia	Property development	80	80	20	20
[2], [6], [8]	Lasseters Corporation Limited	Australia	Investment holding company and provision of management services	2	2	27	27
[1]	Lasseters Resorts Pte. Ltd.	Singapore	Investment holding company	100	100	-	-
[4]	Lasseters Investments (NSW) Pte. Ltd.	Singapore	Investment holding company	100	100	-	-
[4]	Lasseters Investments (QLD) Pte. Ltd.	Singapore	Investment holding company	100	100	-	-
[1]	Lasseters Investments (NZ) Pte. Limited	Singapore	Investment holding company	100	100	-	-
[2]	Lasseters ANZ Pty Ltd	Australia	Investment holding company	100	100	-	-

14. Investments in subsidiaries (Continued)

Particulars of the subsidiaries are as follows: (Continued)

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by		Proportion of ownership interest held by non-controlling interests	
				2015 %	2014 %	2015 %	2014 %
	Held by Lasseters International Pte. Ltd.						
[2]	Lasseters Seaford Hotel Pty Ltd	Australia	Investment holding company	100	100	-	-
	Held by Lasseters Interactive Gaming Pte. Ltd.						
[2],[6],[8]	Lasseters Corporation Limited	Australia	Investment holding company and provision of management services	71	71	27	27
	Held by Lasseters Holdings Pty Ltd						
[2]	Ford Dynasty Pty Ltd	Australia	Casino operations, provision of hotel accommodation, convention centre, food and beverages business	100	100	-	-
[2]	Lasseters Health Club Pty Ltd	Australia	Management and operator of a health club	100	100	-	-
	Held by Lasseters Resorts Pte. Ltd.						
[2]	Lasseters CLG Pty Ltd	Australia	Investment holding company	100	100	-	-
	Held by Lasseters Investments (NZ) Pte. Limited						
[4]	Lasseters (NZ) Limited	New Zealand	Dormant	100	100	-	-
	Held by Lasseters Seaford Hotel Pty Ltd						
[2]	Lasseters Valley Pty Ltd	Australia	Investment holding company	100	100	-	-
	Held by Lasseters CLG Pty Ltd						
[2],[7]	Cypress Lakes Group Limited	Australia	Properties holding, golf course and club and The Golden Door spa and wellness	100	100	-	-

14. Investments in subsidiaries (Continued)

Particulars of the subsidiaries are as follows: (Continued)

	Name of company	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by		Proportion of ownership interest held by non-controlling interests	
				2015 %	2014 %	2015 %	2014 %
	Held by Cypress Lakes Group Limited						
[2],[7]	Cypress Resort Management Pty Ltd	Australia	Provision of resort management	100	100	-	-
[2],[7]	Cypress Lakes Golf and Country Club Pty Limited	Australia	Provision of golf course and club management	100	100	-	-
[2],[7]	Cypress Lakes Resort Real Estate Pty Limited	Australia	Provision of real estate management	100	100	-	-
[2],[7]	Cypress Lakes Property Pty Limited	Australia	Properties holding, provision of hotel accommodation, food and beverages business	100	100	-	-
[2],[7]	The Golden Door Pty Limited	Australia	Provision of spa and wellness services	100	100	-	-
[2],[7]	The Golden Door Holdings Pty Ltd	Australia	Provision of spa and wellness services	100	100	-	-
[2],[7]	Cypress Lakes Catering Pty Ltd	Australia	Provision of catering services	100	100	-	-
[2],[7]	Cypress Lakes Villa Management Pty Ltd	Australia	Villa management	100	100	-	-
	Held by The Golden Door Pty Limited						
[2],[7]	The Golden Door Health Retreat – Elysia Pty Limited	Australia	Provision of spa and wellness services	100	100	-	-
[2],[7]	The Golden Door Spa at Salt Pty Ltd	Australia	Provision of day spa services	100	100	-	-
[2],[7]	The Golden Door Health Retreat – Willow Vale Pty Ltd (formerly known as Golden Door Resort Spa – Cypress Lakes Pty Limited)	Australia	Provision of day spa services	100	100	-	-

[1] Audited by BDO LLP, Singapore, a member firm of BDO International Limited

[2] Audited by BDO Audit Pty Ltd, Chartered Accountants, Brisbane, Australia, a member firm of BDO International Limited

[3] Audited by BDO, Chartered Accountants, Malaysia, a member firm of BDO International Limited

[4] In the process of voluntary liquidation.

[5] Not required to be audited under the law in the country of incorporation.

[6] As at 30 June 2015 and 30 June 2014, certain assets/liabilities are classified as held for sale, as stated in Note 20.

[7] As at 30 June 2015 and 30 June 2014, effective equity interest held by the Group was at 99.90%, rounded up to 100%.

[8] As at 30 June 2015, effective equity interest held by the Group was at 73.36%.

14. Investments in subsidiaries (Continued)

Non-controlling interests

Summarised financial information in relation to the subsidiaries that have non-controlling interests ("NCI") that are material to the Group, before intra-group eliminations and together with amounts attributed to NCI, is presented below:

	Merry Palms Sdn Bhd	
	2015 AUD'000	**2014 AUD'000**
Revenue	12	1
Loss before income tax	(143)	(148)
Income tax	-	(13)
Loss for the financial year	(143)	(161)
Loss allocated to NCI	(29)	(32)
Other comprehensive income allocated to NCI	-	-
Total comprehensive income allocated to NCI	(29)	(32)
Cash flows from operating activities	(1,871)	700
Cash flows from investing activities	-	(1)
Cash flows from financing activities	858	258
Net cash (outflows)/inflows	(1,013)	957
Assets:		
Current assets	14,291	9,707
Non-current assets	1	1
Liabilities:		
Current liabilities	(13,592)	(8,316)
Non-current liabilities	(686)	(1,237)
Net assets	14	155
Accumulated non-controlling interests	3	31

15. Membership rights

	Group and Company	
	2015 AUD'000	**2014 AUD'000**
Membership rights, at cost	38	38

As at the end of the financial year, the membership rights were held in trust by a key management personnel of the Company.

16. Inventories

	Group	
	2015 AUD'000	2014 AUD'000
Consumables	591	686

Inventories of AUD591,000 (2014: AUD686,000) of the Group have been pledged as security for the bank facilities as set out in Note 23 to the financial statements.

The cost of inventories recognised as an expense in profit or loss amounted to AUD4,530,000 (2014: AUD4,842,000).

17. Trade and other receivables

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Trade receivables	1,413	1,801	-	-
Less: Allowance for impairment in value	(491)	(443)	-	-
	922	1,358	-	-
Other receivables	170	240	4	2
Prepayments	471	797	5	8
Due from subsidiaries				
- trade	-	-	5,870	3,896
- non-trade	-	-	14,814	13,456
- loans	-	-	18,882	14,934
Less: Allowance for impairment in value	-	-	(21,484)	(15,395)
	-	-	18,082	16,891
	1,563	2,395	18,091	16,901

Movement in allowance for impairment in value during the financial year was as follows:

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Balance as at the beginning of the financial year	443	134	15,395	7,024
Impairment for the financial year	48	309	6,089	8,371
Balance as at the end of the financial year	491	443	21,484	15,395

Trade receivables are non-interest bearing and generally on 15 to 90 days' credit terms.

Other receivables comprise mainly receivables for operating subsidy for the convention centre, goods and services taxes recoverable, refundable deposits paid and operating floats.

Trade and other receivables of AUD1,013,000 (2014: AUD775,000) of the Group have been pledged as securities for the bank facilities as set out in Note 23 to the financial statements.

Impairment of trade receivables arose mainly from customers who have difficulty in settling the amount due.

The amounts due from subsidiaries which are trade in nature represent management and technical services fee receivable which are unsecured and have a credit term of 7 days. Amount outstanding for more than 7 days bear interest at 3% per annum.

The amounts due from subsidiaries which are non-trade in nature and the loans to subsidiaries are unsecured, bear interest at 3% per annum and are repayable on demand.

Impairment of amounts due from subsidiaries arose mainly from working capital loan to subsidiaries which have suffered losses from their operations.

17. Trade and other receivables (Continued)

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	2015 AUD'000	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Australian dollar	1,479	1,551	17,364	16,638
Singapore dollar	4	19	326	263
Malaysian ringgit	80	825	401	-
	1,563	2,395	18,091	16,901

18. Property development costs

	Group	
	2015 AUD'000	**2014 AUD'000**
Balance as at the beginning of the financial year	7,880	5,377
Borrowing costs capitalised during the financial year	352	274
Costs incurred during the financial year	5,081	2,158
Foreign currency translation adjustment	73	71
Balance as at the end of the financial year	13,386	7,880
Property development costs consist of:		
Land costs	4,971	4,854
Development costs	8,415	3,026
	13,386	7,880

Borrowing costs which arose on the financing specifically entered into for the property development costs were capitalised by the Group during the financial year.

Included in the property development costs is leasehold land held for property development as follows:

Location	**Description**	**Existing use**	**Gross land area (sqm)**
Lot Nos. PT9772, PT9773, PT9774, PT9775, PT9776, PT9777 & PT9778, Jalan P4/8, Seksyen 4, Bandar Teknologi Kajang, 43500 Semenyih, Selangor, Malaysia	Land held for property development	Land under development	28,336

The leasehold land has been pledged as security for the bank facilities as set out in Note 23 to the financial statements.

The Group's effective interest in the property is 80% (2014: 80%).

19. Cash and cash equivalents

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Fixed deposit	1,209	-	1,209	-
Cash and bank balances	3,468	2,353	902	101
Cash and cash equivalents as per statement of financial position	4,677	2,353	2,111	101
Bank overdrafts (Note 23)	(431)	(542)		
	4,246	1,811		
Assets classified as held for sale (Note 20):				
- Cash and bank balances	-	30		
Cash and cash equivalents as per consolidated statement of cash flows	4,246	1,841		

As at 30 June 2015, the fixed deposit bore interest rate at 1.3% per annum and was placed for 30 days from the end of the financial year.

Cash and bank balances of approximately AUD2,530,000 (2014: AUD1,579,000) bear interest from 0.01% to 3.00% (2014: 0.01% to 3.00%) per annum.

Cash and cash equivalents of AUD2,396,000 (2014: AUD1,245,000) of the Group have been pledged as security for the bank facilities as set out in Note 23 to the financial statements.

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Australian dollar	2,520	1,607	35	25
Singapore dollar	2,076	81	2,076	76
Malaysian ringgit	81	665	-	-
	4,677	2,353	2,111	101

20. Assets/Liabilities classified as held for sale

On 9 September 2008, the shares of LCL were voluntarily suspended from quotation at the request of LCL. LCL ceased taking new bets on its online casino and sportsbetting businesses with effect from 3 October 2008 and 20 October 2008 respectively. LCL is continuing these business operations to the extent necessary to meet ongoing obligations to customers, and to preserve the assets of the businesses.

On 20 September 2012, LCL entered into a Share Sale and Purchase Agreement with Isentric (Australia) Pty Ltd for the sale of its entire equity interest in its two wholly owned subsidiaries, LCPL and LSPL, for a cash consideration of AUD75,000 and AUD100,000 respectively. The sale of LCPL and LSPL was completed on 2 August 2013.

Subsequently, on 18 August 2015, LCL entered into a Bid Implementation Agreement with Kings Knight Capital Limited ("Kings Knight") pursuant to which Kings Knight will offer to acquire all of the issued shares of LCL by way of an off-market takeover bid.

On 19 July 2013, the Group through its subsidiaries, CLG, Cypress Lakes Villa Management Pty Ltd, Cypress Resort Management Pty Ltd, Cypress Lakes Golf and Country Club Pty Limited and The Golden Door Resort Spa – Cypress Lakes Pty Ltd (collectively known as "CLG Group") has entered into a conditional sale and purchase agreement with Hunter Valley (CL) Management Pty Ltd for the disposal of the property, assets and business of CLG Group, comprising, inter alia, freehold interest in lands, villa leases, golf course business and development lands (the "Disposal Assets"). These properties and assets are located at Cnr McDonalds and Thompsons Rd, Pokolbin Hunter Valley NSW 2320 ("Cypress Lakes Resort"). The disposal was completed on 21 October 2013 for an aggregate purchase consideration of AUD7.4 million. Ancillary to the completion of the disposal, a put and call option agreement has been entered into with the Purchaser for the disposal of lands at Cypress Lakes Resort, with the expiry being two years from the date of completion or 20 October 2015, for a consideration of AUD3 million.

20. Assets/Liabilities classified as held for sale (Continued)

Pursuant to FRS 105 - Non-current Assets Held for Sale and Discontinued Operations, the above businesses have been classified as assets/ liabilities held for sale and the results of the discontinued operations have been presented separately in the statements of financial position and the consolidated statement of comprehensive income respectively.

Details of assets/liabilities classified as held for sale are as follows:

	Note	Group	
		2015 AUD'000	2014 AUD'000
Assets			
Property, plant and equipment		3,000	3,000
Trade and other receivables		10	5
Cash and bank balances	19	-	30
		3,010	3,035
Liabilities			
Trade and other payables		64	61

Freehold properties included in property, plant and equipment above are as follows:

Location	Description	Existing use	Gross land area (sqm)	Gross floor area (sqm)
Lot 8 & 21 Corner MacDonalds and Thompsons Road Pokolbin New South Wales 2320 Australia	Development land	Vacant	123,963	-
Lot 22, Corner MacDonalds and Thompsons Road Pokolbin New South Wales 2320 Australia	Cypress Lakes Golf Course	Golf course	821,610	700

The above freehold properties are pledged for bank borrowings granted to the Group (Note 23).

As at the end of the financial year, the assets and liabilities classified as held for sale as disclosed above were denominated in Australian dollar.

21. Trade and other payables

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Current liabilities				
Trade payables	3,801	5,077	-	-
Due to subsidiaries				
- trade	-	-	1,193	959
- non-trade	-	-	-	1,176
	-	-	1,193	2,135
Deferred revenue	1,012	1,071	-	-
Progress billings	8,303	5,327	-	-
Other payables and accruals	5,309	9,293	358	2,671
Gaming tax payables	193	199	-	-
Due to related parties (non-trade)	36	32	-	-
	18,654	20,999	1,551	4,806
Non-current liabilities				
Other payables	225	206	-	-
	18,879	21,205	1,551	4,806

Trade payables are non-interest bearing and are normally settled between 7 to 45 days.

The trade amount due to a subsidiary represent management fee payable which are unsecured and have a credit term of 7 days. Amount outstanding for more than 7 days bear interest at 7.5% per annum.

The non-trade amount due to a subsidiary and amounts due to related parties (non-trade) are unsecured, interest-free and repayable on demand.

Other payables and accruals comprise mainly payables for payroll taxes, superannuation contributions and other operating expenses.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Australian dollar	8,440	13,297	-	3,234
Singapore dollar	413	607	345	443
Malaysian ringgit	10,026	7,301	1,206	1,129
	18,879	21,205	1,551	4,806

22. Provisions for employee entitlements

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Current liabilities	1,108	1,153	66	66
Non-current liabilities	490	410	-	-
	1,598	1,563	66	66

Movements in provisions for employee entitlements during the financial year were as follows:

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Balance as at the beginning of the financial year	1,563	2,015	66	66
Provision made during the financial year	1,184	1,192	-	-
Provision utilised	(1,149)	(1,644)	-	-
Balance as at the end of the financial year	1,598	1,563	66	66

23. Bank borrowings - secured

	Group	
	2015 AUD'000	2014 AUD'000
Current liabilities		
Bank overdrafts (Note 19)	431	542
Term loans	3,277	1,843
Commercial bills	3,600	3,600
	7,308	5,985
Non-current liabilities		
Term loans	686	1,237
Commercial bills	73,858	76,166
	74,544	77,403

Non-current bank borrowings are repayable as follows:

	Group	
	2015 AUD'000	2014 AUD'000
In the second year	74,497	40,425
In the third year	47	36,978
	74,544	77,403

Bank overdrafts bear interest from 8.35% to 8.97% (2014: 8.10% to 9.57%) per annum and are repayable on demand.

Term loans bear interest at 8.35% (2014: 8.10% to 8.69%) per annum and are repayable by 30 June 2016 and 30 June 2017 (2014: 30 June 2015 and 30 June 2017) on a monthly basis.

Commercial bills bear interest from 5.86% to 7.09% (2014: 6.00% to 7.38%) per annum and are repayable by 31 August 2017 on a quarterly basis.

23. Bank borrowings - secured (Continued)

As at the end of the financial year, the bank borrowings were secured by:

(a) fixed and floating charges over the whole assets of Ford Dynasty Pty Ltd, Lasseters Holdings Pty Ltd, Cypress Lakes Group Limited, Cypress Lakes Catering Pty Ltd, Cypress Lakes Villa Management Pty Ltd, Cypress Lakes Golf and Country Club Pty Limited, Cypress Resort Management Pty Ltd, Cypress Lakes Resort Real Estate Pty Limited, Cypress Lakes Property Pty Limited, The Golden Door Pty Limited, The Golden Door Holdings Pty Ltd, The Golden Door Spa at Salt Pty Ltd, The Golden Door Health Retreat – Willow Vale Pty Ltd, The Golden Door Health Retreat – Elysia Pty Limited and Lasseters CLG Pty Ltd;

(b) fixed and floating charges over the present and future assets of Merry Palms Sdn Bhd;

(c) registered mortgage over the freehold land and buildings of Ford Dynasty Pty Ltd, Cypress Lakes Group Limited and The Golden Door Health Retreat – Elysia Pty Limited;

(d) registered mortgage over the leasehold land of Merry Palms Sdn Bhd;

(e) letter of subordination of intra-group loans from the Company, Lasseters Investments Pte. Ltd., Lasseters Seaford Hotel Pty Ltd and Ford Dynasty Pty Ltd;

(f) interlocking guarantee and indemnity of AUD138,084,500 and AUD1,393,000 equivalent or NZD1,500,000 (2014: AUD138,084,500 and AUD1,399,000 equivalent or NZD1,500,000) between Ford Dynasty Pty Ltd, Lasseters Holdings Pty Ltd, Cypress Lakes Group Limited, Cypress Lakes Catering Pty Ltd, Cypress Lakes Villa Management Pty Ltd, Cypress Lakes Golf and Country Club Pty Limited, Cypress Resorts Management Pty Ltd, Cypress Lakes Resort Real Estate Pty Limited, Cypress Lakes Property Pty Limited, The Golden Door Pty Limited, The Golden Door Holdings Pty Ltd, The Golden Door Spa at Salt Pty Ltd, The Golden Door Health Retreat – Willow Vale Pty Ltd, The Golden Door Health Retreat – Elysia Pty Limited and Lasseters CLG Pty Ltd; and

(g) corporate guarantee for AUD7,191,000 equivalent or RM20,786,000 (2014: AUD5,724,000 equivalent or RM16,700,000) executed by the Company.

Commercial bills of AUD15,000,000 (2014: AUD15,000,000) are arranged at fixed interest rates and expose the Group to fair value interest rate risk. Other borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The interest rates of these floating rate loans reprice at intervals of 1 to 6 months (2014: 1 to 5 months).

The carrying amounts of current bank borrowings approximate their fair values. The fair values of non-current bank borrowings are as follows:

	Group	
	2015 AUD'000	**2014 AUD'000**
Term loans	630	1,194
Commercial bills	66,952	68,963
	67,582	70,157

The management estimates the fair value of the bank borrowings from a discounted cash flows analysis, using discount rates based on a prevailing available market borrowing rates at the end of the financial year and this is considered to be level 2 of the fair value hierarchy.

Bank borrowings are denominated in the following currencies:

	Group	
	2015 AUD'000	**2014 AUD'000**
Australian dollar	77,458	80,308
Malaysian ringgit	4,394	3,080
	81,852	83,388

23. Bank borrowings - secured (Continued)

The Group has banking facilities as follows:

	Group	
	2015 AUD'000	2014 AUD'000
Banking facilities granted	95,416	91,902
Banking facilities utilised	81,852	83,388

24. Finance lease payables

Group	Minimum lease payments AUD'000	Future finance charges AUD'000	Present value of minimum lease payments AUD'000
2015			
Not later than one year	1,166	(143)	1,023
Later than one year and not later than five years	1,617	(118)	1,499
	2,783	(261)	2,522
2014			
Not later than one year	1,013	(152)	861
Later than one year and not later than five years	1,704	(157)	1,547
	2,717	(309)	2,408

	Group	
	2015 %	2014 %
Effective interest rates	5.23 - 10.23	5.81 – 10.10

The lease terms range from 1 to 5 years (2014: 2 to 5 years).

Interest rates are fixed at the contract date, and expose the Group to fair value interest rate risk. All finance leases are on fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group's obligations under finance leases are secured by the leased assets, which will revert to the lessors in the event of default by the Group.

The fair value of the Group's lease obligations approximates their carrying amount.

Finance lease payables are denominated in Australian dollar.

25. Deferred tax liabilities

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Balance as at the beginning of the financial year	17,602	23,775	2	2
Charged to profit or loss (Note 9)	(1,764)	(5,461)	-	-
Charged to equity	-	(712)	-	-
Balance as at the end of the financial year	15,838	17,602	2	2

25. Deferred tax liabilities (Continued)

Deferred tax assets/(liabilities) are attributable to the following:

	Group		Company	
	2015 AUD'000	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Provisions for employee entitlements	481	438	-	-
Accruals	108	122	-	-
Revaluation surplus	(25,680)	(25,507)	-	-
Property, plant and equipment	1,973	1,614	-	-
Capital loss	7,230	5,720	-	-
Other temporary differences	50	11	(2)	(2)
	(15,838)	(17,602)	(2)	(2)

	Group	
	2015 AUD'000	**2014 AUD'000**
Unrecognised deferred tax assets		
Balance as at the beginning of the financial year	40,136	39,395
Amount not recognised:		
- current financial year	1,139	741
Balance as at the end of the financial year	41,275	40,136
Unrecognised deferred tax assets arise as a result of:		
Unutilised tax losses	34,014	32,196
Property, plant and equipment	6,290	6,290
Intangible assets	-	679
Provision for employee entitlements	402	402
Other temporary differences	569	569
	41,275	40,136

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. As at the end of the financial year, the Group has unutilised tax losses of approximately AUD113,377,000 (2014: AUD107,316,000) available for offset against future taxable profits subject to the agreement by the tax authorities and provisions of the tax legislations of the respective countries in which the Group operates. No deferred tax assets have been recognised in respect of the total amount of approximately AUD113,377,000 (2014: AUD107,316,000) of such losses as the availability of sufficient future taxable profits to realise these future benefits is uncertain. Accordingly, these deferred tax assets have not been recognised in the consolidated financial statements of the Group in accordance with the accounting policy in Note 2.7 to the financial statements. These tax losses have no expiry date.

26. Share capital

	Group and Company			
	2015		2014	
	SGD'000	AUD'000	SGD'000	AUD'000
Issued and fully-paid				
253,017,521 (2014: 253,017,521) ordinary shares as at the beginning of the financial year	52,415	44,287	52,415	44,287
233,701,021 ordinary shares issued during the year	14,022	13,267	-	-
486,718,542 (2014: 253,017,521) ordinary shares as at the end of the financial year	66,437	57,554	52,415	44,287

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

During the current financial year, the Company has issued renounceable non-underwritten rights issue of up to 249,469,521 new ordinary shares at an issue price of SGD0.06 for each rights share, on the basis of one (1) rights share for every one (1) existing ordinary share (excluding treasury shares). Pursuant to the rights issue, an aggregate of 233,701,021 rights shares have been allotted and issued on 23 March 2015. Following the allotment and issuance of the rights shares, the number of issued and fully-paid shares in the Company has increased from 253,017,521 shares to 486,718,542 shares.

27. Treasury shares

	Group and Company			
	2015	2014	2015	2014
	Number of ordinary shares		AUD'000	AUD'000
Issued and fully-paid				
Balance as at the beginning and end of the financial year	3,548,000	3,548,000	426	426

The Company acquired 3,548,000 of its own shares through purchases on the Singapore Exchange Securities Trading Limited. The total amount paid to acquire the shares was AUD426,000 and has been deducted from equity attributable to owners of the parent.

28. Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the foreign operations from non-Australian dollar to Australian dollar (presentation currency) and is non-distributable. Movements in foreign currency translation reserve were shown in the statements of changes in equity.

29. Revaluation reserve

	Group	
	2015	2014
	AUD'000	AUD'000
Non-distributable		
Balance as at the beginning of the financial year	46,535	48,580
Reversal of revaluation surplus	-	(2,045)
Balance as at the end of the financial year	46,535	46,535

Revaluation reserve pertains to the revaluation of freehold land and buildings.

30. Accumulated losses

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Suffered by:				
The Company	(22,235)	(15,423)	(22,235)	(15,423)
Subsidiaries	(25,863)	(28,120)	-	-
	(48,098)	(43,543)	(22,235)	(15,423)

Included in accumulated losses of the Group and the Company is accumulated bargain purchase of approximately AUD25,237,000 (2014: AUD25,237,000) which is non-distributable. Movements in accumulated losses during the financial year were shown in statements of changes in equity.

31. Disposal of businesses/subsidiaries

Disposal of businesses

On 19 July 2013, the Group through its subsidiaries, CLG, Cypress Lakes Villa Management Pty Ltd, Cypress Resort Management Pty Ltd, Cypress Lakes Golf and Country Club Pty Limited, and The Golden Door Resort Spa – Cypress Lakes Pty Ltd (collectively known as "CLG Group") has entered into a conditional sale and purchase agreement with Hunter Valley (CL) Management Pty Ltd for the disposal of the property, assets and business of CLG Group, comprising, inter alia, freehold interest in lands, villa leases, golf course business and development lands (the "Disposal Assets"). These properties and assets are located at Cnr McDonalds and Thompsons Rd, Pokolbin Hunter Valley NSW 2320 ("Cypress Lakes Resort"). The disposal was completed on 21 October 2013 for an aggregate purchase consideration of AUD7.4 million. Ancillary to the completion of the disposal, a put and call option agreement has been entered into with the Purchaser for the disposal of lands at Cypress Lakes Resort, with the expiry being two years from the date of completion or 20 October 2015, for a consideration of AUD3 million.

Details of the disposal of businesses are as follows:

	Group 2014 AUD'000
Assets	
Assets classified as held for sale	7,926
	7,926
Liabilities	
Liabilities classified as held for sale	12
	12
Net identifiable assets and liabilities disposed	7,914
Net proceeds from disposal	7,369
	(545)
Costs directly attributable to disposal	-
Loss on disposal of businesses (Note 8)	(545)
Net cash inflow arising on disposal:	
Cash consideration received	7,369

31. Disposal of businesses/subsidiaries (Continued)

Disposal of subsidiaries

On 20 September 2012, LCL entered into a Share Sale and Purchase Agreement with Isentric (Australia) Pty Ltd for the sale of its entire equity interest in its two wholly-owned subsidiaries, LCPL and LSPL, for a cash consideration of AUD75,000 and AUD100,000 respectively. The sale of LCPL and LSPL was completed on 2 August 2013.

On 23 July 2013, the Group completed the disposal of one of its wholly-owned subsidiary, Otago Casino Limited ("OCL"), for a cash consideration of NZD5 million (AUD4.1 million) to SKYCITY Entertainment Group Limited. Following the completion of the disposal, assets pledged with the bank and corporate guarantee issued to the bank have been discharged.

Details of the disposal of subsidiaries are as follows:

	Group 2014 AUD'000
Assets	
Property, plant and equipment	576
Intangible assets	1,068
Inventories	34
Trade and other receivables	6
Cash and cash equivalents	164
	1,848
Liabilities	
Provision	289
Trade and other payables	304
	593
Net identifiable assets and liabilities disposed	1,255
Foreign currency translation reserve	231
Net proceeds from disposal	4,164
	2,678
Costs directly attributable to disposal	(623)
Gain on disposal of subsidiaries (Note 8)	2,055
Net cash inflow arising on disposal:	
Cash consideration received	4,164
Cash and cash equivalents disposed	(164)
Costs directly attributable to disposal	(623)
	3,377

32. Significant related party transactions

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) Has control or joint control over the Company;
(ii) Has significant influence over the Company; or
(iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions apply:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
(iii) Both entities are joint ventures of the same third party;
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
(vi) The entity is controlled or jointly controlled by a person identified in (a); or
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions during the financial year between the Group entities and Company and related parties at rates and terms agreed between the parties:

	Group	
	2015 AUD'000	2014 AUD'000
With a related party		
Rental expenses	184	178
With Directors of the Company		
Directors' fees	271	307

Compensation of key management personnel

The remuneration of Directors and other members of key management personnel of the Group and of the Company during the financial year were as follows:

	Continuing operations		Discontinued operations		Total	
Group	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Directors' fees	271	307	-	-	271	307
Short-term employee benefits	2,005	2,841	-	-	2,005	2,841
Post-employment benefits	98	135	-	-	98	135
	2,374	3,283	-	-	2,374	3,283
Company						
Directors' fees	133	139	-	-	133	139
Short-term employee benefits	730	790	-	-	730	790
	863	929	-	-	863	929

32. Significant related party transactions (Continued)

The above includes the following remuneration to the Directors of the Company and of the subsidiaries:

	Continuing operations		Discontinued operations		Total	
Group	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**	**2015 AUD'000**	**2014 AUD'000**
Directors of the Company						
Directors' fee	271	307	-	-	271	307
Short-term employee benefits	354	550	-	-	354	550
	625	857	-	-	625	857
Directors of the subsidiaries						
Short-term employee benefits	38	37	-	-	38	37
	663	894	-	-	663	894
Company						
Directors of the Company						
Directors' fee	133	139	-	-	133	139
Short-term employee benefits	351	354	-	-	351	354
	484	493	-	-	484	493

33. Commitments

Operating lease commitments

As at the end of the financial year, there were non-cancellable operating lease commitments for rental payable for office premises, villas and spas in subsequent accounting periods as follows:

	Group	
	2015 AUD'000	**2014 AUD'000**
Not later than one year	1,500	2,201
Later than one year and not later than five years	3,516	4,709
Later than five years	778	1,408
	5,794	8,318

The above operating lease commitments are based on existing rental rates. The operating lease agreements provide for periodic revision of such rates in the future.

Certain operating leases have an option to renew at prevailing market rates at the time of renewal.

33. Commitments (Continued)

Capital commitments

As at the end of the financial year, the Group had the following capital commitments:

	Group	
	2015 AUD'000	2014 AUD'000
Purchase of property, plant and equipment contracted but not provided for	831	4,822

34. Segment reporting

Management has determined the operating segments based on the reports reviewed by the chief operating decision makers (Note 2.22).

Management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in these primary geographic areas: Australia, New Zealand and Malaysia. All these locations are engaged in the casino, hotel, spa and wellness and property development.

The Group has three reportable segments being "Casino", "Hotel, Spa and Wellness" and "Property Development".

The Casino segment offers gaming facilities, accommodation, convention centre, food and beverages outlets, and bars.

The Hotel, Spa and Wellness segment offers accommodation, food and beverages, convention facilities, and spa and wellness programs.

The Property Development involves in investment, management and development.

The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

Management monitors the operating results of the segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operation profit or loss which is similar to the accounting profit or loss.

Income taxes are managed on a Group basis.

The accounting policies of the operating segments are the same of those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense not including non-recurring gains and losses and foreign exchange gains or losses.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

The Group accounts for intersegment sales and transfer as if the sales or transfers were to third parties, which approximate market prices. These intersegment transactions are eliminated on consolidation.

34. Segment reporting (Continued)

	Australia		New Zealand	Malaysia			
	Casino AUD'000	Hotel, Spa & Wellness AUD'000	Casino AUD'000	Property Development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2015							
Revenue							
Revenue from external customers	42,262	8,108	2	12	7	-	50,391
Inter-segment revenues	3	-	4,221	-	1,187	(5,411)	-
Total revenue from continuing operations	42,265	8,108	4,223	12	1,194	(5,411)	50,391
Total revenue from discontinued operations							1
Total revenue							50,392
Results							
Segment results from continuing operations	617	(1,629)	4,143	(134)	(13,925)	10,836	(92)
Finance costs	(4,094)	(1,705)	(5)	(9)	(4)	150	(5,667)
Profit/(Loss) before income tax from continuing operations	(3,477)	(3,334)	4,138	(143)	(13,929)	10,986	(5,759)
Income tax							1,564
Loss for the financial year from continuing operations							(4,195)
Loss for the financial year from discontinued operations							(392)
Non-controlling interests							32
Loss attributable to owners of the parent							(4,555)
Significant non-cash items							
Depreciation expenses							
- continuing operations	6,512	426	-	1	3	-	6,942
Impairment in value of property, plant and equipment							
- continuing operations	-	352	-	-	-	-	352
Reversal of prior years' impairment in value of property, plant and equipment							
- continuing operations	-	(1,032)	-	-	-	-	(1,032)
Other items of income and expense							
Interest income							
- continuing operations	4	3	-	12	7	-	26
- discontinued operations	-	1	-	-	-	-	1
Loss on disposal of property, plant and equipment							
- continuing operations	-	(1,284)	-	-	-	-	(1,284)

34. Segment reporting (Continued)

	Australia		New Zealand	Malaysia			
	Casino AUD'000	Hotel, Spa & Wellness AUD'000	Casino AUD'000	Property Development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2015							
Capital expenditures							
Property, plant and equipment							
- continuing operations	5,672	241	-	-	-	-	5,913
Segment assets	145,785	7,026	-	14,277	33,564	(31,005)	169,647
Current income tax recoverable							184
Assets classified as held for sale							3,010
Total assets							172,841
Segment liabilities	71,491	41,418	-	14,278	14,453	(36,789)	104,851
Deferred tax liabilities							15,838
Liabilities classified as held for sale							64
Total liabilities							120,753
2014							
Revenue							
Revenue from external customers	40,241	9,843	598	1	57	(376)	50,364
Inter-segment revenues	560	7,561	-	-	1,125	(9,246)	-
Total revenue from continuing operations	40,801	17,404	598	1	1,182	(9,622)	50,364
Total revenue from discontinued operations							4,493
Total revenue							54,857
Results							
Segment results from continuing operations	4,041	3,418	2,221	(141)	(1,267)	(8,722)	(450)
Finance costs	(3,959)	(2,037)	(1)	(7)	(565)	739	(5,830)
Profit/(Loss) before income tax from continuing operations	82	1,381	2,220	(148)	(1,832)	(7,983)	(6,280)
Income tax							5,589
Loss for the financial year from continuing operations							(691)
Loss for the financial year from discontinued operations							(1,957)
Non-controlling interests							35
Loss attributable to owners of the parent							(2,613)

34. Segment reporting (Continued)

	Australia		New Zealand	Malaysia			
	Casino AUD'000	Hotel, Spa & Wellness AUD'000	Casino AUD'000	Property Development AUD'000	Unallocated AUD'000	Eliminations AUD'000	Total AUD'000
2014							
Significant non-cash items							
Depreciation expenses							
- continuing operations	6,174	644	9	1	19	-	6,847
Impairment in value of property, plant and equipment							
- continuing operations	-	1,295	-	-	-	-	1,295
Other items of income and expense							
Interest income							
- continuing operations	3	5	-	-	35	-	43
Loss on disposal of businesses							
- discontinued operations	-	(545)	-	-	-	-	(545)
Gain on disposal of subsidiaries							
- continued operations	-	-	1,880	-	-	-	1,880
- discontinued operations	175	-	-	-	-	-	175
Capital expenditures							
Property, plant and equipment							
- continuing operations	11,408	340	8	1	2	-	11,759
Segment assets	148,870	10,669	3,019	9,533	19,919	(26,067)	165,943
Current income tax recoverable							675
Assets classified as held for sale							3,035
Total assets							169,653
Segment liabilities	71,499	41,417	7,114	9,395	13,459	(34,320)	108,564
Deferred tax liabilities							17,602
Liabilities classified as held for sale							61
Total liabilities							126,227

34. Segment reporting (Continued)

Services information

	Gaming AUD'000	Accommodation AUD'000	Food and beverages AUD'000	Spa and Wellness AUD'000	Convention centre AUD'000	Others AUD'000	Consolidated AUD'000
2015							
Revenue from external customers	21,770	6,527	9,784	7,217	2,387	2,707	50,392
2014							
Revenue from external customers	22,472	7,481	10,186	9,009	3,182	2,527	54,857

Geographical information

Revenue from external customers

	Australia AUD'000	New Zealand AUD'000	Malaysia AUD'000	Other countries AUD'000	Consolidated AUD'000
2015					
Revenue from external customers	50,378	2	12	-	50,392
2014					
Revenue from external customers	54,258	598	1	-	54,857

The revenue information above is based on the location of the customer.

Location of non-current assets

	Australia AUD'000	New Zealand AUD'000	Malaysia AUD'000	Other countries AUD'000	Consolidated AUD'000
2015					
Non-current assets	149,386	-	44	-	149,430
2014					
Non-current assets	152,584	-	45	-	152,629

Non-current assets consist of property, plant and equipment, intangible assets and membership rights.

35. Financial instruments, financial risk and capital management

The Group's activities expose it to financial risks (including credit risk, foreign currency risks, interest rate risks and liquidity risk) arising in the normal course of business. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The management is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management continually monitors the Group's financial risk management process to ensure that an appropriate balance between risk and control is achieved.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. The Group and the Company do not hold or issue derivative financial instruments for trading purposes.

35. Financial instruments, financial risk and capital management (Continued)

(a) Financial instruments

The following sets out the financial instruments at the end of financial year:

	Group		Company	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
Financial assets				
Trade and other receivables (excluding prepayments and goods and services taxes recoverable)	977	1,418	18,082	16,891
Cash and cash equivalents	4,677	2,353	2,111	101
Loan and receivables	5,654	3,771	20,193	16,992
Financial liabilities				
Trade and other payables (excluding deferred revenue, progress billings, gaming tax, and goods and services taxes payable)	8,905	14,132	1,551	4,806
Bank borrowings - secured	81,852	83,388	-	-
Finance lease payables	2,522	2,408	-	-
Financial liabilities carried at amortised cost	93,279	99,928	1,551	4,806

(b) Credit risk

The Group and the Company have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Group and the Company do not require collateral in respect of financial assets. Cash is placed with banks and financial institutions which are regulated.

The Group and the Company have no significant concentration of credit risk except for amounts due from subsidiaries in the Company's statement of financial position. The maximum exposures to credit risk are represented by the carrying amount of the financial assets on the statements of financial position.

Trade receivables that are neither past due nor impaired are substantially customers with good collection track record with the Group.

The age analysis of the Group's trade receivables which are past due but not impaired is as follows:

	Group	
	2015 AUD'000	2014 AUD'000
Past due 1 day to 3 months	158	206
Past due 3 to 6 months	16	60
Past due 6 to 12 months	41	47
	215	313

(c) Foreign currency risks

The Group and the Company incur foreign currency risk on transactions and balances that are denominated in currencies other than the entity's functional currency. The currencies giving rise to this risk are Australian dollar ("AUD"), Singapore dollar ("SGD") and Malaysian ringgit ("MYR"). Exposure to foreign currency risk is monitored on an ongoing basis to ensure that the net exposure is at an acceptable level and the Group does not hold or issue derivative financial instruments for speculative purposes.

35. Financial instruments, financial risk and capital management (Continued)

(c) Foreign currency risks (Continued)

At the end of the financial year, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies were as follows:

	Group				Company			
	Assets		Liabilities		Assets		Liabilities	
	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000	2015 AUD'000	2014 AUD'000
AUD	1,275	512	-	-	-	-	-	-
SGD	2,402	85	659	443	2,402	339	345	443
MYR	401	-	1,208	12	401	-	1,206	1,129

Foreign currency sensitivity analysis

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of the entities. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the financial year end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's loss.

If the relevant foreign currency weakens by 10% (2014: 10%) against the functional currency, the profit or loss of the Group will increase/(decrease) by as below. There is no impact to the equity of the Group.

	Profit or loss	
Group	2015 AUD'000	2014 AUD'000
Australian dollar	127	51
Singapore dollar	(174)	36
Malaysian ringgit	81	1

If the relevant foreign currency strengthens by 10% (2014: 10%) against the functional currency, the profit or loss of the Group will increase/(decrease) by as below. There is no impact to the equity of the Group.

	Profit or loss	
Group	2015 AUD'000	2014 AUD'000
Australian dollar	(127)	(51)
Singapore dollar	174	(36)
Malaysian ringgit	(81)	(1)

If the relevant foreign currency weakens by 10% (2014: 10%) against the functional currency, profit or loss of the Company will increase/(decrease) by as below. There is no impact to the equity of the Company.

	Profit or loss	
Company	2015 AUD'000	2014 AUD'000
Singapore dollar	(206)	10
Malaysian ringgit	81	113

35. Financial instruments, financial risk and capital management (Continued)

(c) Foreign currency risks (Continued)

Foreign currency sensitivity analysis (Continued)

If the relevant foreign currency strengthens by 10% (2014: 10%) against the functional currency, profit or loss of the Company will increase/(decrease) by as below. There is no impact to the equity of the Company.

	Profit or loss	
	2015	2014
Company	AUD'000	AUD'000
Singapore dollar	206	(10)
Malaysian ringgit	(81)	(113)

(d) Interest rate risks

The Group's and the Company's exposure to market risk for changes in interest rates relates primarily to bank borrowings and finance lease obligations with financial institutions. The Group maintains an efficient and optimal interest cost structure using a combination of fixed and variable rate debts, and long and short term borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate risks for financial liabilities at the end of the financial year. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the financial year was outstanding for the whole year. The sensitivity analysis assumes an instantaneous 3% change in the interest rates from the end of the financial year, with all variables held constant.

If the interest rate increases/decreases by 3%, the profit or loss of the Group, respectively, will decrease/increase by:

	Group	
	2015	2014
	AUD'000	AUD'000
Bank overdrafts	13	16
Bank borrowings	1,218	1,998
	1,231	2,014

The profit or loss of the Company is not affected by changes in interest rates because the Company has no interest bearing liabilities.

(e) Liquidity risks

The Group and the Company actively manage their operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and cash equivalents to meet their working capital requirements. Short-term funding is obtained from overdraft facilities from banks and finance leases from financial institutions.

The following table details the Group's remaining contractual maturity for its non-derivative financial instruments. The table has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or pay. The table includes both interest and principal cash flows. As at 30 June 2015 and 2014, the Group has no derivative financial liabilities.

Group	Effective interest rates	Less than 1 year AUD'000	1 to 2 years AUD'000	2 to 4 years AUD'000	Total AUD'000
Financial liabilities					
2015					
Trade and other payables (excluding deferred revenue, progress billings, gaming tax, and goods and services taxes payable)	-	8,680	225	-	8,905
Bank borrowings	5.86% - 8.35%	11,913	23,049	56,559	91,521
Bank overdrafts	8.35% - 8.97%	466	-	-	466
Finance lease payables	5.23% - 10.23%	1,166	831	786	2,783
		22,225	24,105	57,345	103,675

35. Financial instruments, financial risk and capital management (Continued)

(e) Liquidity risks (Continued)

Group	Effective interest rates	Less than 1 year AUD'000	1 to 2 years AUD'000	2 to 4 years AUD'000	Total AUD'000
2014					
Trade and other payables (excluding deferred revenue, progress billings, gaming tax, and goods and services taxes payable)	-	13,926	206	-	14,132
Bank borrowings	6.00% - 8.69%	10,852	21,092	67,116	99,060
Bank overdrafts	8.10% - 9.57%	594	-	-	594
Finance lease payables	5.81% - 10.10%	1,013	862	842	2,717
		26,385	22,160	67,958	116,503
Company					
Financial liabilities					
2015					
Trade and other payables		1,551	-	-	1,551
2014					
Trade and other payables		4,806	-	-	4,806

The effective interest rates and repayment terms of the bank loans, overdrafts and finance leases are disclosed in Notes 23 and 24 to the financial statements.

The Company has issued corporate guarantees to banks for banking facilities granted to a Malaysian subsidiary. These guarantees are financial guarantee contract as they require the Company to reimburse the banks if the subsidiary fails to make principal or interest payments when due in accordance with the terms of the facilities drawn. The maximum amount that the Company could be forced to settle under the financial guarantee contract, if the full guaranteed amount is claimed by the Malaysian subsidiary to the guarantee, is AUD7,191,000 (2014: AUD5,724,000). The earliest period that the guarantee could be called is within one year (2014: one year) from the end of the financial year. The Group considers that it is more likely than not that no amount will be payable under the arrangement.

(f) Offsetting financial assets and financial liabilities

There are no offsetting arrangements on financial assets and financial liabilities at the Group level. The following table details the Company's financial assets which are subject to offsetting, enforceable master netting arrangements and similar agreements.

Financial liabilities

The Company has the following financial instruments subject to enforceable master netting arrangements or similar agreements as follows:

		Related amounts set off in the statement of financial position		
Company		Gross amounts - financial liabilities AUD'000	Gross amounts - financial assets AUD'000	Net amounts of financial liabilities AUD'000
As at 30 June 2015				
Amounts due to subsidiaries		2,860	1,667	1,193
As at 30 June 2014				
Amounts due to subsidiaries		3,741	1,606	2,135

35. Financial instruments, financial risk and capital management (Continued)

(g) Capital management policies and objectives

The Group and the Company manage their capital to ensure that the Group and the Company are able to continue as a going concern and maintains an optimal capital structure so as to maximise shareholders' values.

The management monitors capital based on gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as the sum of bank borrowings and finance lease payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

Management constantly reviews the capital structure to ensure the Group and the Company are able to service any debt obligations (include principal repayment and interests) based on its operating cash flows. The Group's overall strategy remains unchanged from the previous financial year.

	Group	
	2015 AUD'000	**2014 AUD'000**
Net debt	79,697	83,443
Total equity	52,088	43,426
Total capital	131,785	126,869
Gearing ratio	60%	66%

Gearing ratio is not relevant to the Company as the Company has no bank borrowings and finance lease payables.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial year ended 30 June 2015 and 30 June 2014.

36. Fair value of financial assets and financial liabilities

The carrying amounts of the financial assets and liabilities in the financial statements approximate their fair values due to the relative short-term maturity of these financial instruments. The fair values of non-current liabilities in relation to bank borrowings and finance lease payables are disclosed in Notes 23 and 24 to the financial statements.

37. Event subsequent to the reporting date

Subsequent to the financial year end, on 18 August 2015, the Group, through its subsidiary, LCL, entered into a Bid Implementation Agreement with Kings Knight, a BVI Business Company incorporated in the Territory of the British Virgin Islands, pursuant to which Kings Knight will offer to acquire all of the issued shares of LCL by way of an off-market takeover bid ("Offer"). Under the conditions of the Offer, LCL shareholders will receive, subject to the satisfaction or waiver of the conditions of the Offer, a consideration equal to AUD0.00524976 cash per share. Subject to the Offer becoming unconditional, the Company and its subsidiaries agreed to forgive the outstanding receivable balances with LCL within the Group.

STATISTICS OF SHAREHOLDINGS AS AT 9 SEPTEMBER 2015

Issued and fully paid-up capital	:	SGD66,436,612.04
Number of ordinary shares in issue	:	486,718,542
Class of shares	:	Ordinary share
Voting rights	:	One vote per share
Number of Treasury Shares held	:	3,548,000
Number of ordinary shares excluding Treasury Shares	:	483,170,542
Percentage of Treasury Shares	:	0.73%[1]

Note:-

(1) Calculated based on 483,170,542 voting shares as at 9 September 2015.

VOTING RIGHTS

Shareholder's voting rights are set out in Article 76 of the Company's Articles of Association.

Every Member present in person or by proxy shall have one vote for every share which he holds or represents.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Rule 723 of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires that at least 10% of the equity securities (excluding preference shares, convertible equity securities and treasury shares) of a listed company in a class that is listed be at all times held by the public.

Based on the information available to the Company as at 9 September 2015, approximately 27% of the issued ordinary shares of the Company are held in the hands of the public and therefore Rule 723 is complied with.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	1	0.24	50	0.00
100 – 1,000	30	7.25	28,200	0.00
1,001 – 10,000	155	37.44	997,000	0.21
10,001 – 1,000,000	203	49.03	17,716,850	3.67
1,000,001 and above	25	6.04	464,428,442	96.12
TOTAL	414	100.00	483,170,542	100.00

STATISTICS OF SHAREHOLDINGS
AS AT 9 SEPTEMBER 2015

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1.	KAMAL Y P TAN	99,116,012	20.51
2.	JAYA J B TAN	75,868,540	15.70
3.	TAN YET MENG	72,461,340	15.00
4.	KUAN PENG CHING @ KUAN PENG SOON	39,042,478	8.08
5.	CIMB SECURITIES (SINGAPORE) PTE. LTD.	37,384,500	7.74
6.	CHAN KAIXUAN	24,000,000	4.97
7.	KGI FRASER SECURITIES PTE. LTD.	20,000,000	4.14
8.	TAN SAN CHUAN	18,115,336	3.75
9.	TAN SAN LIN	18,115,336	3.75
10.	TEH CHENG CHUAN	10,608,000	2.20
11.	ASSOCIATED LEISURE INTERNATIONAL PTE LTD	10,000,000	2.07
12.	TAN SAN MING	7,456,000	1.54
13.	LIM & TAN SECURITIES PTE LTD	6,212,000	1.29
14.	DBS NOMINEES (PRIVATE) LIMITED	3,852,000	0.80
15.	LAI CHOY KUEN	3,350,000	0.69
16.	LEE WAN TANG	3,000,000	0.62
17.	UOB KAY HIAN PRIVATE LIMITED	2,541,000	0.53
18.	LOH KAH WAI	2,100,000	0.43
19.	FOK CHEE CHEONG @ FOK CHEE CHIONG	1,825,000	0.38
20.	WIRTZ JOCHEN	1,807,100	0.37
		456,854,642	94.56

SUBSTANTIAL SHAREHOLDERS
(as recorded in the Register of Substantial Shareholders)

	DIRECT INTEREST		DEEMED INTEREST	
NAME OF SUBSTANTIAL SHAREHOLDERS	NO. OF SHARES	%	NO. OF SHARES	%
Dato' Kamal Y P Tan	99,116,012	20.51	-	-
Dato' Jaya J B Tan	95,868,540	19.84	-	-
Tan Yet Meng	72,461,340	15.00	-	-
Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon	39,042,478	8.08	-	-

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twelfth Annual General Meeting of Lasseters International Holdings Limited will be held at Orchid Ballroom, Basement 1, Holiday Inn Singapore Orchard City Centre, 11 Cavenagh Road, Singapore 229616 on Wednesday, 28 October 2015 at 10.00 a.m. to transact the following business:-

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the year ended 30 June 2015 together with the reports of the Directors and Auditors thereon. **Resolution 1**

2. To re-elect Dato' Jaya J B Tan, a Director retiring pursuant to Articles 102 and 106 of the Company's Articles of Association. **Resolution 2**

3. To re-appoint Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon, retiring pursuant to Section 153(6) of the Companies Act, Cap. 50 to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company provided that if Section 153 of the Companies Act, Cap. 50 is repealed and shall cease to be in force prior to the next Annual General Meeting of the Company and unless he is subject to any requirement under any written law or applicable regulatory requirement which permits him to hold office only until the next Annual General Meeting of the Company, he shall, subject to retirement by rotation in accordance with the Articles of Association of the Company, hold office beyond the next Annual General Meeting of the Company. **Resolution 3**

   Note:-
   Tan Sri Ir. Kuan will, upon re-election as a Director of the Company, remain as a Chairman of the Nominating Committee and member of the Remuneration Committee and Audit Committee. He will be considered independent for the purposes of Rule 704(7) of Section B: Rules of Catalist of the Listing Manual (the "Catalist Rules") of the Singapore Exchange Securities Trading Limited (SGX-ST).

4. To approve the payment of Directors' fees of SGD140,000 for the financial year ended 30 June 2015 (FY2014: SGD160,000). **Resolution 4**

5. To re-appoint Messrs BDO LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

As Special Business

To consider and, if thought fit, to pass the following as Ordinary Resolutions and Special Resolution, with or without modifications:-

7. **Ordinary Resolution – General Mandate To Authorise Directors To Allot And Issue Shares And Convertible Securities** **Resolution 6**

   "THAT pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company to:-

   (a) issue shares in the capital of the Company whether by way of rights, bonus or otherwise (including shares as may be issued pursuant to any Instrument (as defined below) made or granted by the Directors while the ordinary resolution is in force notwithstanding that the authority conferred by the ordinary resolution may have ceased to be in force at the time of issue of such shares); and/or

   (b) make or grant offers agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares and convertible securities to be issued pursuant to such authority:-

   (i) does not exceed 100% of the total number of issued shares in the capital of the Company, excluding treasury shares, (as calculated in accordance with subparagraph (ii) below) of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares in the capital of the Company, excluding treasury shares, (as calculated in accordance with subparagraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time of passing of the ordinary resolution, after adjusting for:-

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of shares awards which are outstanding or subsisting at the time of passing this Resolution; and

(b) any subsequent bonus issue, consolidation or subdivision of shares;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST); and

(iv) (unless revoked or varied by the Company in General Meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier." [See Explanatory Note (a)]

8. **Ordinary Resolution – Renewal of Share Buy-back Mandate** **Resolution 7**

"THAT:-

(a) for the purposes of the Companies Act (Cap. 50), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the ordinary shares in the capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of market purchases (each a "Market Purchase") on SGX-ST or off-market purchases ("Off-Market Purchase") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) (the "Share Buy-back Mandate") be and is hereby approved;

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:-

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;

(ii) the date on which the share purchases are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buy-back Mandate is varied or revoked;

(c) in this Resolution:-

"Prescribed Limit" means 10% of the issued ordinary share capital of the Company as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);

"Relevant Period" means the period commencing from the date on which the last Annual General Meeting of the Company was held and expiring on the date the next Annual General Meeting of the Company is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

"Maximum Price" in relation to a fully-paid ordinary share in the capital of the Company (a "Share") to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding 105% of the Average Closing Price in the case of a Market Purchase and not exceeding 120% of the Average Closing Price in the case of an Off-Market Purchase.

NOTICE OF ANNUAL GENERAL MEETING

where:-

"Average Closing Price" means the average of the closing market prices of a Share over the last five market days, on which the Shares are transacted on the SGX-ST, immediately preceding the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period;

"Day of the Making of the Offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share; and

(d) any of the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution." [See Explanatory Note (b)]

9. **Special Resolution – The Proposed Amendments to the Articles of Association** **Resolution 8**

"THAT the proposed amendments to the Articles of Association of the Company as set out in Part 1 of the Appendix of the Circular to Shareholders dated 5 October 2015 are hereby approved and adopted, and any of the Directors of the Company be and is hereby authorised to do all such acts as may be necessary or expedient in order to give full effect to this resolution." [See Explanatory Note (c)]

10. **Special Resolution – The Proposed Amendments to the Articles of Association** **Resolution 9**

"THAT the proposed amendments to the Articles of Association of the Company as set out in Part 2 of the Appendix of the Circular to Shareholders dated 5 October 2015 are hereby approved and adopted, and any of the Directors of the Company be and is hereby authorised to do all such acts as may be necessary or expedient in order to give effect to this resolution." [See Explanatory Note (d)]

BY ORDER OF THE BOARD

S SURENTHIRARAJ
KOK MOR KEAT
Company Secretaries

Singapore
5 October 2015

Explanatory Notes on Special Business to be transacted

(a) **Ordinary Resolution 6**, if passed, will empower the Directors of the Company to issue shares in the capital of the Company up to an amount not exceeding in aggregate 100% of the total number of issued shares in the capital of the Company, excluding treasury shares, at the time of passing the resolution, of which the aggregate number of shares to be issued other on a pro-rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares in the capital of the Company, excluding treasury shares.

(b) **Ordinary Resolution 7**, if passed, will empower the Directors from the date of the above Meeting until the next Annual General Meeting to repurchase ordinary issued shares of the Company by way of market purchases or off-market purchases of up to 10% of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price. Information relating to this proposed Resolution is set out in the Circular to Shareholders dated 5 October 2015 attached.

(c) **Special Resolution 8**, if passed, will amend the Articles of Association of the Company as set out in greater detail in the Circular to Shareholders dated 5 October 2015 attached.

(d) **Special Resolution 9**, if passed, will amend the Articles of Association of the Company as set out in greater detail in the Circular to Shareholders dated 5 October 2015 attached.

NOTES:-

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on his behalf, save that no limit shall be imposed on the number of proxies for nominee or custodial service companies. A proxy need not be a member of the Company and where there are two proxies, the number of shares to be represented by each proxy must be stated.

2. If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorized officer or attorney.

3. The instrument appointing a proxy must be deposited at the Share Registrar's Office at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 not less than forty-eight (48) hours before the time for holding the Annual General Meeting.

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LASSETERS INTERNATIONAL HOLDINGS LIMITED
Company Registration No. 200402223M
(Incorporated in the Republic of Singapore)

IMPORTANT

1. For investors who have used their CPF monies to buy shares of Lasseters International Holdings Limited, the Annual Report 2015 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their CPF Approved Nominee.

Number of shares held	

PROXY FORM

ANNUAL GENERAL MEETING

I/We, _____

of _____

being a member/members of **LASSETERS INTERNATIONAL HOLDINGS LIMITED** (the "Company"), hereby appoint

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting ("AGM") of the Company to be held on Wednesday, 28 October 2015 at 10.00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any item arising not summarised below, the proxy/proxies will vote or abstain from voting at his/their discretion. If no person is named in the above boxes, the Chairman of the AGM shall be my/our proxy to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder for me/us and on my/our behalf at the AGM and at any adjournment thereof.

No.	Resolutions Relating To:	No. of Votes For **	No. of Votes Against **
1	Adoption of Audited Financial Statements and Reports of the Directors and the Auditors for the year ended 30 June 2015.		
2	Re-election of Dato' Jaya J B Tan as Director.		
3	Re-appointment of Tan Sri Ir. Kuan Peng Ching @ Kuan Peng Soon as Director.		
4	Approval of payment of Directors' fees.		
5	Re-appointment of Messrs BDO LLP as auditors and to authorise the Directors to fix their remuneration.		
6	Authority to allot and issue new shares.		
7	Renewal of Share Buy-back Mandate.		
8	Proposed Amendments to the Articles of Association as set out in Part 1 of the Appendix to the Circular.		
9	Proposed Amendments to the Articles of Association as set out in Part 2 of the Appendix to the Circular.		

** If you wish to exercise all your votes "For" or "Against" the relevant resolution, please insert [x] within the relevant box provided. Alternatively, please indicate the number of Shares as appropriate.

Dated this day of 2015.

Total Number of Shares held	
CDP Register	
Register of Members	

_____

Signature(s) of Member(s) or,
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:-

1. The Chairman of the Annual General Meeting will be exercising his right under Article 71 of the Company's Articles of Association to demand a poll in respect of each of the resolutions to be put to vote of members at the Annual General Meeting and at any adjournment thereof. Accordingly, each resolution at the Annual General Meeting will be voted by way of a poll.

2. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), you should insert that number of shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

3. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote on his behalf save that no limit shall be imposed on the number of proxies for nominee or custodial service companies. Such proxy need not be a member of the Company.

4. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.

5. The instrument appointing a proxy or proxies must be deposited at the Share Registrar's office at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 not less than forty-eight (48) hours before the time appointed for the Annual General Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its Seal or under the hand of an officer or attorney duly authorised.

7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, Cap. 50.

General:-

The Company shall be entitled to reject this instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose Shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

LASSETERS INTERNATIONAL HOLDINGS LIMITED (200402223M)

SGX Centre 2, #17-01, 4 Shenton Way, Singapore 068807
Tel : (65) 6361 9883 Fax : (65) 6538 0877