CORPORATE HOLDINGS LIMITED

Consolidated Financial Statements
For the year ended 31 March 2018

Corporate Holdings Limited

Index to the Financial Statements

Statement of Comprehensive Income	1
Statement of Changes in Equity	2
Statement of Financial Position	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 27

Corporate Holdings Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 March 2018

	Note	2018 $	2017 $
Interest Income	5	452,583	-
Interest expense		(151,847)	-
Net interet income		300,736	-
Fee and commssion incomer		271,470	-
Fee and commission expense		(206,778)	-
Net fee and commission ncome		64,692	-
Yearbook and research sales		49,232	-
Yearbook and research expenses		(22,037)	-
Net yearbook and research sales		27,195	-
Gross profit		392,623	-
Other revenue		6,612	-
Net impairment (loss) / gain on financial assets		(43,416)	-
Personnel expenses		(118,533)	-
Operating lease expenses		(26,180)	
Depreciation		(367)	
Amortisation of intangibles		(3,270)	
Acquisition expenses		(195,000)	
Other expenses	6	(226,924)	-
		(613,690)	-
Net loss before income taxation benefit		(214,455)	-
Taxation expense	7	3,819	-
Net loss after income taxation benefit		(210,636)	-
Other comprehensive income / (loss) for the period		-	-
Total comprehensive income / (loss) for the period		(210,636)	-

Corporate Holdings Limited
Consolidated Statement of Changes in Equity
For the year ended 31 March 2018

	Ordinary Share Capital	Redeemable Preference Share Capital	Retained Earnings	Total
Balance at 31 March 2016	-	-	-	-
Comprehensive income				
Net profit for the period	-	-	-	-
Other comprehensive income				
Total comprehensive income	-	-	-	-
Transactions with owners				
Shares issued	1,000	-		1,000
Total transactions with owners	1,000	-	-	1,000
Balance at 31 March 2017	$ 1,000	$ -	$ -	$ 1,000
Comprehensive income				
Net profit / (loss) for the period	-	-	(210,636)	(210,636)
Other comprehensive income				
Total comprehensive income	-	-	(210,636)	(210,636)
Transactions with owners				
Shares Issued	1,455,000	4,974,850	-	6,429,850
Capital raising costs	-	(7,497)		(7,497)
Total transactions with owners	1,455,000	4,967,353	-	6,422,353
Balance at 31 March 2018	$ 1,456,000	$ 4,967,353	$ (210,636)	$ 6,212,717

Corporate Holdings Limited
Consolidated Statement of Financial Position
As at 31 March 2018

	Note	2018 $	2017 $
SHAREHOLDERS EQUITY			
Share capital ordinary shares	8	1,456,000	1,000
Share capital redeemable preference		4,967,353	-
Retained earnings		(210,636)	-
Total shareholders equity		$ 6,212,717	$ 1,000
Represented by:			
ASSETS			
Cash and cash equivalents	9	4,950,130	-
Accounts receivables	11	10,135	-
Loan receivales	10	8,610,506	-
Inventory		5,000	-
Prepayments and other current assets	12	79,586	1,000
Property, plant and equipment	13	8,443	-
Deferred tax asset	7	32,938	-
Investment in unlisted securities		-	100,000
Intangible assets and goodwill	14	2,754,508	-
Total assets		16,451,246	101,000
CURRENT LIABILITIES			
Accounts and other payables	16	187,549	-
Related party payables	18	127,551	-
Deposit stock	15	9,854,092	-
Taxation payable		69,336	-
Non recourse advance		-	100,000
Total liabilities		10,238,528	100,000
Net assets / (liabilities)		$ 6,212,718	$ 1,000

Corporate Holdings Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2018

	Note	2018 $	2017 $
Cash flows from operating activities			
Cash was provided from:			
Cash receipts from customers		337,263	-
Interest received		452,583	-
Loans receivables (net receipts)		1,585,486	-
Cash was applied to:			
Cash payments to suppliers and employees		(791,420)	-
Interest paid		(151,847)	-
Taxation paid		(33,416)	-
Net cash inflow from operating activities		1,398,649	-
Cash flows from investing activities			
Cash was applied to:			
Purchase of property, plant and equipment		(8,810)	-
Purchase of computer software		(33,107)	-
Purchase of unlisted securities		(5,821,836)	-
investing activities		(5,863,753)	-
Cash flows from financing activities			
Cash was provided from:			
Issue of shares		6,529,850	-
Cash was applied to:			
Capital raising costs		(7,497)	-
Term deposits (net payments)		(30,564)	-
Net cash flows from financing activities		6,491,789	-
Net increase / (decrease) in		2,026,685	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents acquired through purchase of subsidiary		2,923,445	-
Cash and cash equivalents at end of the period		$ 4,950,130	$ -

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

1. REPORTING ENTITY

Corporate Holdings Limited (the **"Company"**) is a company incorporated and domiciled in New Zealand and registered under the *Companies Act 1993.* The consolidated financial statements of Corporate Holdings Limited and its controlled entities (together called the Group) have been prepared in accordance with the requirements of the Companies Act 1993 and the Financial Reporting Act 2013.

The principal activity of the Group was that of a financial service provider.

These consolidated financial statements were authorised for issue by the directors on 12 June 2018.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Compliance with IFRS

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. These consolidated financial statements also comply with International Financial Reporting Standards ('IFRS').

Historical cost convention

These consolidated financial statements have been prepared under the historical cost convention.

Basis for consolidation

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS continued

Basis for consolidation continued

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with NZ IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

New and amended standards and interpretations
The accounting policies adopted are consistently applied with the following exceptions:

(i) New and amended standards adopted by the Group

No new standards, amendments and interpretations to existing standards are mandatory for the first time for the financial period ended 31 March 2018.

(ii) Early adopted new and amended standards

No new standards, amendments and interpretations to existing standards have been early adopted by the Group in preparing these financial statements

(iii) New standards, amendments and interpretations issued but not yet effective for the financial period ended 31 March 2018 and not early adopted by the Group

The following new standards, amendments and interpretations are issued but not yet effective for the Group's accounting periods beginning on or after 1 April 2017 or later periods. The Group has not early adopted them.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS continued

New and amended standards and interpretations continued

NZ IFRS 9 'Financial Instruments'

NZ IFRS 9 is applicable for annual periods beginning on or after 1 January 2018. Earlier application is permitted. NZ IFRS 9 is part of the International Accounting Standards Board's project to replace IAS 39 *Financial Instruments: Recognition and Measurement.* The standard introduces amended requirements for classifying and measuring financial assets and liabilities and also incorporates amendments to hedge accounting.

The standard introduces an expected credit losses model that replaces the incurred loss impairment model used in NZ IAS 39. Lifetime expected credit losses are recognised if the credit risk on a financial instrument has increased significantly since initial recognition. 12 month expected credit losses are recognised if the credit risk on a financial instrument has not increased significantly.

The Company will adopt this standard for the first time in the financial statements for the year ending 31 March 2019.

Whilst management are still finalising the assessment the impact of these changes, preliminary assessments have indicated that the adoption of the standard will impact the 31 March 2019 financial statements as follows:

- The Company does not expect a change in the classification of financial assets or financial liabilities.
- No change is expected with regard to lifetime expected credit losses for loans with significant credit risk deterioration.
- With respect to 12 month expected credit losses for loans without significant deterioration in credit risk, an increase to loss provisions (and reduction in retained earnings) of approximately $27,000 is expected for 31 March 2018 and approximately $26,000 for 1 April 2017.

NZ IFRS 16 'Leases'

NZ IFRS 16, 'Leases', replaces NZ IAS 17. Under NZ IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Under NZ IAS 17, a lessee was required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). NZ IFRS 16 now requires a lessee to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. Lessors will also be affected by the new standard. The standard is effective for accounting periods beginning on or after 1 January 2019. General Finance Limited intends to adopt NZ IFRS 16 on its effective date and has yet to assess its full impact.

Whilst the impact of NZ IFRS 16 has not yet been quantified with the Company's current lease arrangements, the effect is not expected to be material.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS continued

NZ IFRS 15 'Revenue from Contracts with Customers'

NZ IFRS 15 deals with revenue recognition and establishes principles for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flow arising for an entity's contracts with customers. This standard replaces IAS 18 *Revenue* and is applicable to periods beginning on or after 1 January 2018.

The Company will adopt this standard for the first time in the financial statements for the year ending 31 March 2019.

Whilst management are still finalising the assessment the impact of these changes, preliminary assessments have indicated that the adoption of the standard will impact the 31 March 2019 financial statements as follows:

- Loan receivable related income: No change is expected. Interest income and fee income directly related to the origination of loan receivables are scoped out of NZ IFRS 15, and are recorded in accordance with NZ IAS 39, or NZ IFRS 9 going forward (see above).
- Other income: No change is expected.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's financial statements are presented in New Zealand dollars (NZD), which is the Group's presentation currency. All financial information has been rounded to the nearest dollar.

(b) Goods and services tax

Corporate Holdings Limited, the parent Company, and General Finance Limited are not registered for GST in New Zealand. Accordingly, all revenue and expense for Corporate Holdings Limited and General Finance Limited transactions are recorded inclusive of GST and all assets and liabilities are similarly stated inclusive of GST.

(C) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- *Sale of goods*
  Revenue is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(c) Revenue continued

- *Services*

  Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

  Unearned revenue is recorded on the statement of financial position as deferred income and subsequently recognised through the profit and loss when the services are rendered.

- *Interest income*

  Interest income is recognised in profit or loss using the effective interest method. The effective interest method calculates the amortised cost of a financial asset or liability and allocates the interest income and directly related fees and transaction costs that are an integral component of the effective interest rate over the expected life of the financial asset or liability.

(d) Expenses

Expenses are recognised as incurred in profit or loss on an accrual basis. The following specific recognition criteria must also be met before expenses are recognised:

- *Interest expense and borrowing costs*

  Interest expense and borrowing costs are recognised in profit or loss as they accrue, using the effective interest method (also refer significant accounting policy (f) below).

(e) Interest income and interest expense

Interest income and interest expense are recognised in profit or loss as they accrue, using the effective

Interest income and interest expense are recognised in profit or loss using the effective interest method. The effective interest method calculates the amortised cost of a financial asset or liability and allocates the interest income and directly related fees and transaction costs that are an integral component of the effective interest rate over the expected life of the financial asset or liability. The application of the method has the effect of recognising income and expense on the financial asset or liability evenly in proportion to the amount outstanding over the period to maturity or repayment.

(f) Income tax

Income tax on net profit for the period comprises current and deferred tax. Income tax is recognised in profit or loss except when it relates to items recognised outside profit or loss (equity or other comprehensive income), in which case it is also recognised outside profit or loss.

Current income tax is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(f) Income tax continued

Deferred income tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

Deferred income tax liabilities are recognised when tax deductions have exceeded accounting expenditure for temporary differences and depreciation.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

(g) Financial instruments

Basis of recognition and measurement

The Group classifies financial instruments into one of the following categories at initial recognition: financial assets or liabilities at fair value through profit or loss, available for sale, loans and receivables, held to maturity, and financial liabilities measured at amortised cost.

Some of these categories require measurement at fair value. Where available, quoted market prices are used as a measure of fair value. Where quoted market prices do not exist, fair values are estimated using present value or other market accepted valuation techniques, using methods and assumptions that are based on market conditions and risks existing as at balance date.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised if the Group's contractual rights to the cash flows expire or if the Group transfers them without retaining control or substantially all risks and rewards of the asset. Financial liabilities are de-recognised if the company's obligations specified in the contract are extinguished.

Financial assets

Purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. Investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are recognised and subsequently carried at cost.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(g) Financial instruments continued

Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are included in profit or loss in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of securities classified as available for sale are recognised in other comprehensive income, except for foreign exchange movements on monetary assets, which are recognised in profit or loss. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in profit or loss as gains and losses from investment securities.

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a Group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired.

If any such evidence exists for available for sale financial assets, the cumulative loss – measured as the difference between the financial asset acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or

(i) Financial assets at fair value through profit or loss

This category has two sub categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the reporting date.

The Group has not classified any financial assets in this category.

(ii) Available for sale financial assets

Available for sale financial assets are non-derivatives, principally equity securities, which are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the

3. SIGNIFICANT ACCOUNTING POLICIES continued

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Assets in this category are measured at amortised cost using the effective interest method, less any impairment losses.

The Group's loans and receivables comprise cash and cash equivalents, trade and other receivables and related party receivables.

(iv) Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

The Group has not classified any financial assets in this category.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment 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 the estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss through the use of an allowance account. When a financial asset carried at amortised cost is uncollectible, it is written off against the allowance account. A financial asset carried at amortised cost is deemed to be uncollectible upon notification of insolvency of the debtor or upon receipt of similar evidence that the Group will be unable to collect the trade receivable. 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. Subsequent recoveries of financial asset carried at amortised cost previously written off are credited against the allowance account.

In respect of available-for-sale debt instruments, the loss is reversed through profit or loss. In respect of available-for-sale equity instruments, impairment losses are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated as a separate component of equity in the available-for-sale revaluation reserve.

3. SIGNIFICANT ACCOUNTING POLICIES continued

Financial liabilities

(i) Financial liabilities at fair value through profit or loss

This category has two sub categories: financial liabilities held for trading, and those designated at fair value through profit or loss at inception. A financial liability is classified in this category if acquired principally for the purpose of paying in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Liabilities in this category are classified as current liabilities if they are either held for trading or are expected to be realised within 12 months of the reporting date.

The Group has not classified any financial liabilities in this category.

(ii) Other financial liabilities

This category includes all financial liabilities other than those designated as fair value through profit or loss. Subsequent to initial recognition liabilities in this category are measured at amortised cost using the effective interest method.

The Group's other financial liabilities comprise trade and other payables and related party payables.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of twelve months or less, and bank overdrafts. Bank overdrafts (if any) are shown in current liabilities on the statement of financial position.

(i) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis in accordance with the Group's impairment of financial assets accounting policy described above under the financial instruments accounting policy. Individual debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered objective evidence of impairment.

(j) Investments in equity securities

Investments in equity instruments (other than investments in subsidiaries) are valued at their fair value. Where investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are recognised and subsequently carried at cost.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(k) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. As trade and other payables are usually paid within 30 days, they are carried at face value.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, 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.

(m) Employee benefits

Liabilities for employee entitlements are carried at the present value of the estimated future cash flows.

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, statutory days in lieu, annual leave and sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Superannuation plans

The Group pays contributions to superannuation plans, such as Kiwisaver. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

(n) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. All assets are depreciated over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully

The carrying amount of property, plant and equipment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

3. SIGNIFICANT ACCOUNTING POLICIES continued

Initial recognition

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(n) Property, plant and equipment continued

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the end of the reporting period. Capital work-in-progress is stated at cost, and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use. Cost of capital work-in-progress includes direct costs, related expenditure and interest cost on borrowings taken to finance the construction and acquisition of the assets to the date that the assets are completed and ready for commercial use.

Subsequent costs

Subsequent costs are added to the carrying amount of an item of plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the profit or loss as an expense as incurred. The costs of the day to day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease

The depreciation rates used for each class of assets are:

Class of property, plant and equipment	*Depreciation Rate*
Office equipment	20.00%
Computer equipment	20.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(o) Leases

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

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(q) Leases continued

Finance Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

When the leased asset is subject to a sale and lease back arrangement and the lease meets the definition of a finance lease, in substance the arrangement is a loan secured over the leased asset. In this situation the arrangement is classified as a loan and is included within Finance Receivables.

(p) Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill has been assessed to be an indefinite useful life intangible asset.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Trademarks, Licences and Computer software

Separately acquired trademarks and licences are shown at historical cost less accumulated amortisation and any impairment losses. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of 15 to 20 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(p) Intangible assets continued

Development expenditure

Development expenditure is recognised as an expense except that costs incurred and development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the

(i) its ability to measure reliably the expenditure attributable to the asset under development;

(ii) the product or process is technically and commercially feasible;

(iii) its future economic benefits are probable;

(iv) its ability to use or sell the developed asset; and

(v) the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense are not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of 5 years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

(q) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

(q) Impairment of non-financial assets continued

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses directly reduce the carrying amount of assets and are recognised in profit or loss.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES continued

(r) Share capital

Share capital is classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares or warrants are shown in equity as a deduction, net of tax, from the proceeds.

(s) Statement of cash flows

The statement of cash flows has been prepared using the direct approach.

Cash and cash equivalents includes cash on hand, cash held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows from related party receivables and payables and borrowings have been netted to provide meaningful disclosure to better reflect the activities of party providing the funding.

The following are the definitions of the terms used in the statement of cash flows:

- *Operating activities*
  Operating activities include all transactions and other events that are not investing or financing activities;

- *Investing activities*
  Investing activities are those activities relating to the acquisition, holding and disposal of property, plant and equipment, intangible assets and of investments. Investments can include securities not falling within the definition of cash; and

- *Financing activities*
  Financing activities are those activities that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash. Dividends paid (if any) in relation to the capital structure are included in financing activities.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Directors, as they make all key strategic resource allocation decisions (such as those concerning acquisition, divestment and significant capital expenditure).

(t) Comparative figures

Where applicable, certain comparative numbers have been restated in order to comply with the current period presentation of the financial report.

4. CRITICAL ACCOUNTING ESTIMATES

In the application of NZ IFRS, the Board of Directors and management are required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from the estimates, judgments and assumptions made by the Board of Directors and management.

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 and in any future periods affected.

Judgments made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

In particular, information about significant areas of estimation uncertainty that have the most significant effect on the amount recognised in the financial statements is outlined below: Following the disposal of the subsidiaries in September 2015 these areas of estimation may no longer be significant.

(i) Current and deferred income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made. Refer also note 7.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest forecasts of future earnings of the Company and Group. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Refer also note 7.

(ii) Impairment of trade and other receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loan and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics and adjusted as necessary on the basis of current observable data to reflect the effect of current conditions. If the expectation is different from the estimation, such difference will impact the carrying value of receivables. Refer also note 10.

4. CRITICAL ACCOUNTING ESTIMATES continued

(iii) Accounting for property, plant and equipment and finite-life intangible assets

At each reporting date, the useful lives and residual values of property, plant and equipment and finite-life intangible assets are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment and finite-life intangible assets requires a number of factors to be considered such as the condition of the asset, expected period of use of the asset by the Group, and expected disposal proceeds from the future sale of the asset. Refer also notes 13.

(iv) Impairment of goodwill

The recoverability of the carrying value of goodwill is assessed at least annually to ensure that it is not impaired. Performing this assessment generally requires management to estimate future cash flows to be generated by the related investment or cash-generating unit, which entails making judgments, including the expected rate of growth of revenues, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows. Refer also note 14.

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

5. INTEREST INCOME

	2018 $	2017 $
Loans receivable	440,807	-
Other interest income	11,776	-
	452,583	-

6. OTHER EXPENSES

	2018 $	2017 $
Audit fees – Staples Rodway	60,375	-
Tax services - Staples Rodway	1,932	-
Directors Fees	18,366	-

The above items are included within other expenses in the Statement of Comprehensive Income

7. INCOME TAX

	2018 $	2017 $
(a) Income tax		
Net profit / (loss) before taxation	(214,455)	-
Income taxation at prevailing tax rates	(60,047)	-
Non–deductible expenses	54,855	-
Tax losses not recognised	1,373	-
Taxation benefit per the statement of comprehensive income	$ (3,819)	$ -
Comprising:		
– Current tax	(32,196)	-
– Deferred tax	28,377	-
	$ (3,819)	$ -

The gross movement on the deferred income tax account is as follows:

	Accruals	Loan Receivables Impairment Provision	Total
Balance at the 1 April 2016	-	-	-
Balance at 31 March 2017	$ -	$ -	$ -
Balance acquired through acquisition subsidiaries	-	4,561	4,561
Charged to profit and loss	16,432	11,945	28,377
Balance at 31 March 2018	$ 16,432	$ 16,506	$ 32,938

Deferred tax assets and liabilities are recognised to the extent that the realisation of the related benefit / outflow through future taxable income / expense is probable.

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

7. INCOME TAX continued

(b) ***Deferred tax not recognised***

	2018 $		2017 $	
	Gross	Tax Effected	Gross	Tax Effected
Tax losses	4,904	1,373	-	-
Total	$ 4,904	$ 1,373	$ -	$ -

8. ISSUED SHARE CAPITAL

Share capital	**Ordinary Shares Issued No.**	**Redeemable Preference Shares Issued No.**	**Group $**
Balance at 1 April 2016	-	-	$ -
Movement for 2017			
Ordinary shares issued	100,000		$ 1,000
Balance at 31 March 2017	100,000	-	$ 1,000
Movement for 2018			
Ordinary shares issued	1,356,000	-	1,455,000
Redeemable preference shares issued	-	4,957,000	4,974,850
Cost of raising capital			(7,497)
	1,356,000	4,957,000	6,422,353
Balance at 31 March 2018	1,456,000	4,957,000	$ 6,423,353

In the prior period 100,000 ordinary shares were issued to Garth Ward

During the current period 1,000,000 ordinary shares were issued to Brent King in part settlement of the purchase of Investment Research Group Limited, 180,000 ordinary shares were issued in part settlelement of commissions owed to Brent King and 100,000 ordinary shares were issued for cash.

During the current period 175,000 ordinary shares were issued to Mykco Limited and Barter Investmens Limited on conversion of non-recourse loans at the time that CHL acquired a financial services company.

All ordinary shares rank equally with one vote attached to each fully-paid ordinary share. Shares have no par value.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number and amounts paid on the shares held.

8. ISSUED SHARE CAPITAL continued

Each holder of ordinary shares, present at a meeting or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The redeemable preference shares were issued during the period and settled in cash.

The redeemable preference shares rank ahead of the ordinary shares for repayment of capital on a winding up or liquidation of the company. The redeemable preference shares do not have any voting rights or entitlement to dividends or to share in the disribution of the surplus assets of the company onwinding up.

The redeemable prefernce shares convert to ordinary shares on a one for one basis if either the company enters into an unconditional agreement to sell the ordinary shaires in the company to a company listed on the NZAT, NZSX os NXT or on 31July2018.

9. CASH AND CASH EQUIVALENTS

	2018 $	2017 $
Bank Deposit and currrent accounts	2,438,783	-
Short term bank deposits (original maturity of less than 4 months)	2,511,347	-
	$ 4,950,130	$ -

Interest Rates: Between 0.00% and 0.10% (on call) and between 1.75% - 3.15% (short term bank deposit)
There is no overdraft facility (March 2017: Nil)

10. LOAN RECEIVABLES

	2018 $	2017 $
First mortgage advances	7,661,337	-
Second mortgage advances	1,059,987	-
Unsecured advances	13,688	-
	8,735,012	-
Less deferred interest	(10,596)	-
Less deferred fee income and expenditure	(54,961)	-
Less impairment provision	(58,949)	-
Net carrying value	$ 8,610,506	$ -
Current portion	8,173,674	-
Non-current portion	436,832	-
	$ 8,610,506	$ -

Loan receivables represent loans to unrelated parties at commercial interest rates. Current loan receivables are contractually repayable within 12 months. Non-current loan receivables are contractually repayable within 12 months to 2 years.

10. LOAN RECEIVABLES continued

At year end there were no undrawn loan commitments (March 2017: nil).

Interest rate: Between 8.95% and 16.50% (2017: Nil).
Effective interest rate: Between 11.14% and 25.25% (2017: Nil).
For loans that are in default, an additional 10% interest is charged.

The core lending activity of the group is providing, through a broker network, short term and bridging finance secured by mortgage over residential property. The majority of loans are entered into with a maturity date within 12 months, with a proposal that repayment will be funded by the sale of the secured property or through refinancing by the borrower. Frequently the loan repayment does not occur on the contractual maturity date and the term of the loan is extended i.e. rollover occurs.

Before a loan is rolled over, the group's standard credit checking and approval processes are re-applied. The current "loan to security value" position will be re-assessed and updated valuations are obtained where the Directors consider this appropriate. Loan application fees are charged and evidence is obtained of the borrower's agreement to the contractual terms and conditions of the extended loan.

At balance date, 57.9% (March 2017: Nil) of loans by number and 59.7% (March 2017: 6Nil) by value represent loans that have been rolled over and are into their second or subsequent credit periods.

Where loans have been rolled over, their classification in these financial statements as current or non-current (as in Note 7 and Note 18), or as past due (as in Note 7 and Note 18), is based on payment due dates as per the terms of the extended contract, and not as per the original or preceding contract.

Borrower payment terms are profiled as follows:

	2018 $	2017 $
Principal only	13,688	-
Principal and interest paid monthly	61,187	-
Interest only paid monthly	8,474,380	-
Interest capitalised	185,757	-
Total loan receivables	$ 8,735,012	$ -

10. LOAN RECEIVABLES continued

Income earned during the financial year from amounts capitalised to loan receivables were as follows:

	2018 $	2017 $
Interest income	4,012	-
Loan fees	49,738	-
Total	$ 53,750	$ -

Reconciliation of Movement in Impairment Provision Account

	2018 $	2017 $
Balance at acquisition of subsidiary	15,533	-
Reversals of previously recognised impairment losses	(1,845)	-
Additional provision for impairment losses	45,261	-
Balance at end of year	$ 58,949	$ -

Reconciliation of Movement in Past Due and Impaired Assets

	2018 $	2017 $
Balance of past due and impaired assets at acquisition of subsidiary	1,776,382	-
Additions to past due	1,565,718	-
Repayments	(1,657,111)	-
Rolled over	(89,724)	-
Bad debts written off	-	-
Balance of past due and impaired assets at end of year	$ 1,595,265	$ -

Balance of impaired assets at acquisition of subsidiary	15,533	-
Additions to impaired assets	111,012	-
Repayments	(1,845)	-
Balance of impaired assets at end of year	$ 124,700	$ -

Balance of restructured assets at acquisition of subsidiary	15,533	-
Repayments	(1,845)	-
Bad debts written off	-	-
Balance of restructured assets at end of year	$ 13,688	$ -

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

11. TRADE RECEIVABLES

	2018	2017
	$	$
Trade receivables	10,135	-
Allowance for impairment losses	-	-
Net trade receivables	$ 10,135	$ -

The Group’s normal trade credit terms range from 30 to 90 days.

12. PREPAYMENTS AND OTHER CURRENT ASSETS

	2018	2017
	$	$
Prepayments	43,234	418,786
Other receivables	34,073	40,521
Bartercard trade dollars	2,279	422,782
	$ 79,586	$ 1,000

A Bartercard Trade Dollar is an accounting unit used to record the value of goods and services traded. The Bartercard Trade Dollar is recognised by the Inland Revenue Department of New Zealand and New Zealand financial institutions as having the same value as the New Zealand Dollar. The Bartercard credit/debit system functions in the same way the MasterCard and Visa systems deliver service to cash-paying consumers. Bartercard Trade Dollars are not legal tender, securities, debentures or commodities.

13. PROPERTY PLANT AND EQUIPMENT

(a) Carrying values of property, plant and equipment

2018	Cost	Accumulated Depreciation	Carrying Value
Office equipment	2,261	57	2,204
Computer equipment	6,550	311	6,239
	$ 8,811	$ 368	$ 8,443

2017	Cost	Accumulated Depreciation	Carrying Value
Office equipment	-	-	-
Computer equipment	-	-	-
	$ -	$ -	$ -

(b) Movements in the carrying values of property, plant and equipment

2018	Opening Net Book Value	Additions	Disposals /Write-offs	Depreciation	Closing Net Book Value
Office equipment	-	2,261	-	(57)	2,204
Computer equipment	-	6,550	-	(311)	6,239
	$ -	$ 8,811	$ -	$ (368)	$ 8,443

2017	Opening Net Book Value	Additions	Disposals /Write-offs	Depreciation	Closing Net Book Value
Office equipment	-	-	-	-	-
Computer equipment	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

14. INTANGIBLE ASSETS

(a) Carrying values of intangible assets

2018	Cost	Amortisation	Carrying Value
Computer software	43,107	(10,000)	33,107
NZX Sponsorship	15,500	-	15,500
Research Database	65,400	(3,270)	62,130
Goodwill	2,643,771	-	2,643,771
	$ 2,767,778	$ (13,270)	$ 2,754,508

2017	Cost	Accumulated Depreciation	Carrying Value
Computer software	-	-	-
Goodwill	-	-	-
Customer lists	-	-	-
Development	-	-	-
	$ -	$ -	$ -

(b) Movements in the carrying values of intangible assets

2018	Opening Net Book Value	Additions	Acquisition	Amortisation	Closing Net Book Value
Computer software	-	33,107	-	-	33,107
NZX Sponsorship	-	-	15,500	-	15,500
Research Database	-	-	65,400	(3,270)	62,130
Goodwill	-	-	2,643,771	-	2,643,771
	$ -	$ 33,107	$ 2,724,671	$ (3,270)	$ 2,754,508

2017	Opening Net Book Value	Additions	Disposals /Write-offs	Depreciation	Closing Net Book Value
Computer software	-	-	-	-	-
NZX Sponsorship	-	-	-	-	-
Research Database	-	-	-	-	-
Goodwill	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -

14. INTANGIBLE ASSETS continued

Goodwill

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

	2018 $	2017 $
Allocated to General Finance Limited and Investment Research Group Limited	2,643,771	-
	$ 2,643,771	$ -

Computer software

Computer software – work in progress as at 31 March 2018 relates to purchased licenses and customisation costs relating to a new loan software system being implemented. The loan system has become operational subsequent to year end on 1 April 2018 and is expected to have a useful life of 3 years and be amortised on a straight line basis over that period.

15. TERM DEPOSITS

	2018 $	2017 $
Gross deposit stock liability	9,862,510	-
Less deferred commission expenditure	(8,418)	-
Net carrying value	$ 9,854,092	$ -
Contractual repayment terms:		
On call	105,243	-
Within 12 months	4,217,743	-
Greater than 12 months	5,531,106	-
	$ 9,854,092	$ -

Repayment Terms:	On call up to 5 years
Interest Rate:	4.00% - 7.00% and 2.00% on call (March 2017: 4.00% - 7.00% and 2.00% on call)
Effective Interest Rate:	4.07% - 7.19% and 2.00% on call (March 2017: 4.00% - 7.21% and 2.00% on call)
Security:	First ranking security interest over the assets and undertakings of General Finance Limited in favour of the Trustee (subject only to any prior security interests permitted Deed and preferential claims given priority by operation of law).

The Group has a total of 170 depositors as at 31 March 2018 (March 2017: Nil). As at balance date, the largest deposit the Company has is $300,000 (March 2017: Nil) which represents 3.04% (March 2017: Nil) of total deposits. As at balance date the largest aggregate deposits under a single deposit holder totals $600,000 (March 2017: Nil) which represents 6.08% (March 2017: Nil) of total deposits.

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

15. TERM DEPOSITS continued

Further analysis of gross deposit funding is as follows:

a) Concentration of funding

	2018 $	2017 $
Auckland	4,642,865	-
Wellington	984,181	-
Other North Island	3,106,837	-
South Island	950,475	-
Overseas	178,152	-
Total gross deposit stock liability	$ 9,862,510	$ -

b) Contractual maturity of funding

	2018 $	2017 $
Maturing in 0 - 6 months	2,207,958	-
Maturing in 6 - 12 months	2,115,504	-
Maturing in 12 - 24 months	3,702,957	-
Maturing after 24 months	1,836,091	-
Total gross deposit stock liability	$ 9,862,510	$ -

c) Profile of deposit holders

	2018	2018 $	2017	2017 $
Deposits over $200,000	9	3,201,608	-	-
Deposits $100,000 - $200,000	14	2,007,821	-	-
Deposits $50,000 - $100,000	27	1,969,236	-	-
Deposits $20,000 - $50,000	58	1,884,047	-	-
Deposits $10,000 - $20,000	38	605,606	-	-
Deposits under $10,000	24	194,192	-	-
Total gross deposit stock liability	170	$ 9,862,510	-	$ -

16. ACCOUNTS AND OTHER PAYABLES AND ACCRUALS

	2018	2017
	$	$
Trade creditors	72,286	-
Accruals	76,988	-
Other payables	38,275	-
	$ 187,549	$ -

The normal trade credit terms granted to the Group range from 30 to 90 days

17. LEASE COMMIMENTS

Office premises leases contracted but not capitalised inn the financial statements

	2018	2017
	$	$
Payable		
not later than one year	7,013	-
later than one year and not later than five years	-	-
	$ 7,013	$ -

18. RELATED PARTY BALANCES AND TRANSACTIONS

<u>Related party transactions and balances</u>

The Company and Group had related party dealings with the following related parties during the reporting periods:

Related party	**Relationship**
Brent King	Director and shareholder
Almond Draw Limited	Common Director Garth Ward
Moneyonline Limited	Common Director Brent King
Equity Investment Advisers Limited	Common Director Brent King
Snowdon Peak Investments Limited	Common Director Brent King

Corporate Holdings Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2018

18. RELATED PARTY BALANCES AND TRANSACTIONS continued

Related party payables:

	2018 $	2017 $
Almond Draw Limited	10,923	
Brent King	116,628	-
	$ 127,551	$ -

The above amounts receivable from / payable to directors are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts are to be settled in cash.

Transactions with related parties

	2018 $	2017 $
Services provided by Almond Draw Limited	38,000	-
Expenses recharged by Moeyonline Limited	34,881	-
Expenses recharged by Equity Investment Advisers Limited	18,170	-
Services provided by Snowdon Peak Investments Limited	220,500	-

Furthermore subsidiary companies and their subsidiaries transact with one another. During the current and prior reporting periods these transactions entered into included; the sale and purchase of goods and services and royalties, all of which are all on an arm's length basis. These transactions eliminate on Group consolidation.

Transactions with key management personnel

	2018 $	2017 $
Short term employee benefits	68,533	-
Directors fees	17,667	-

19. BUSINESS COMBINATIONS

Acquisition of General Finance Limited

On 23 December 2016 CHL entered into a sale and purchase agreement to acquire all the shares In General Finance Limited from General Finance Holdings Limited.

Under the terms of the Sale and Purchase agreement dated 23 December 2016, the acquisition of General Finance Limited was settled in in cash on 18 December 2017.

Details of the transaction were:

	$
Consideration paid in cash	4,721,835
Total consideration	$ 4,721,835

Assets and Liabilities acquired

Assets and Liabilities acquired as a result of the business combination were:

	Recognised on acquisition at $
Cash and cash equivalents	2,922,718
Accounts receivables	1,715
Loan receivables	10,239,408
Deferred tax asset	4,561
Accounts and other payables	(98,881)
Deposit stock	(9,884,656)
Taxation payable	(78,194)
Net assets acquired	3,106,671
Goodwill	1,615,164
	$ 4,721,835

Contribution since acquisition

Since the acquisition date, General Finance Limited has contributed a profit after tax of $28,661 which is included in the loss of the Group. Had the combination occurred from the beginning of the period, General Finance Limited would of contributed a profit after tax of $272,783 .

19. BUSINESS COMBINATIONS continued

Acquisition of Investment Research Group Limited

On 3 July2017 CHL entered into a sale and purchase agreement to acquire all the shares In Investment Research Group Limited from Brent King.

Under the terms of the Sale and Purchase agreement dated 7 July 2017, the acquisition of Investment Research Group Limited was settled 1,000,000 ordinary shares in CHL at a price of $1.00 per share and

Details of the transaction were:

	$
Shares issued as consideration	1,000,000
Payment In Bartercard Trade dollars	100,000
Total consideration	$ 1,100,000

Assets and Liabilities acquired

Assets and Liabilities acquired as a result of the business combination were:

	Recognised on acquisition at $
Cash and cash equivalents	727
Accounts receivables	18,368
Related party payables	3,240
Inventory	5,000
Intangible assets	80,900
Accounts and other payables	(36,842)
Net assets acquired	71,393
Goodwill	1,028,607
	$ 1,100,000

Contribution since acquisition

Since the acquisition date, Investment Research Group Limited has contributed a loss after tax of $238,285 which is included in the loss of the Group. Had the combination occurred from the beginning of the period, Investment Research Group Limited would of contributed a loss after tax of $262,581.

Transaction Costs

Transaction costs of $415,500 were incurred in relation to the acquisition of General Finance Limited and Investment Research Group Limited.

20. RECONCILIATION OF NET LOSS AFTER TAXATION TO NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES

Reconciliation of net loss with cash outflow from operations

	Note	2018 $	2017 $
Profit / (loss) after tax		(210,636)	-
Add/(less) non-cash items			
Depreciation of property, plant and equipment	13	367	-
Amortisation	14	3,270	-
Impairment of loan receivables	10	43,416	-
Deferred tax	7	(28,377)	-
Decrease / (increase) in account receivables		9,949	-
Decrease / (increase) in loans receivables		1,585,486	-
Decrease / (increase) in prepayments and other current assets		(86,705)	-
Decrease / (increase) in tax receivables		11,008	-
(Decrease) / increase in trade and other payables and accruals		70,871	-
Net cash outflow / (inflow) from operating activities		$ 1,398,649	$ -

21. COMMITMENTS

There were no other material commitments at reporting date (2017: none).

22. CONTINGENT LIABILITIES

23. SUBSEQUENT EVENTS

On 28 May 2018 the shareholders of Corporate Holdings Limited entered a conditional contract to sel shares of Corporate Holdings Limited (CHL) to Mykco Limited, that Mykco does not already own. Myk issue 16.27 ordinary shares for every share in CHL that it does not already own.
The contract is conditional on the share holders of Mykco approving the contract, The Reserve Bank a the change in ownership of General Finance Limited and Covenant Trustee Services consenting to re Trustee for General Finance Limited.