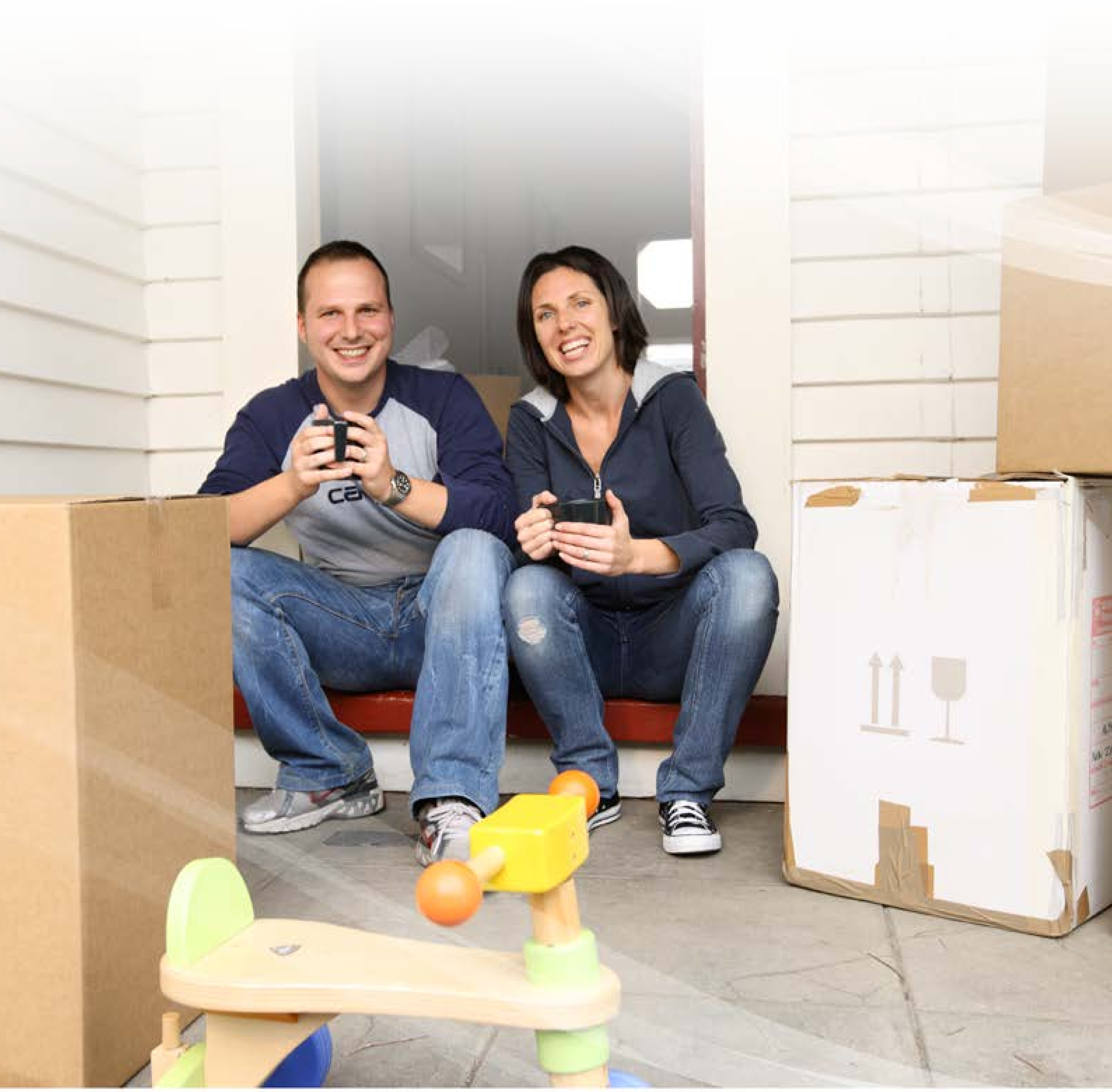
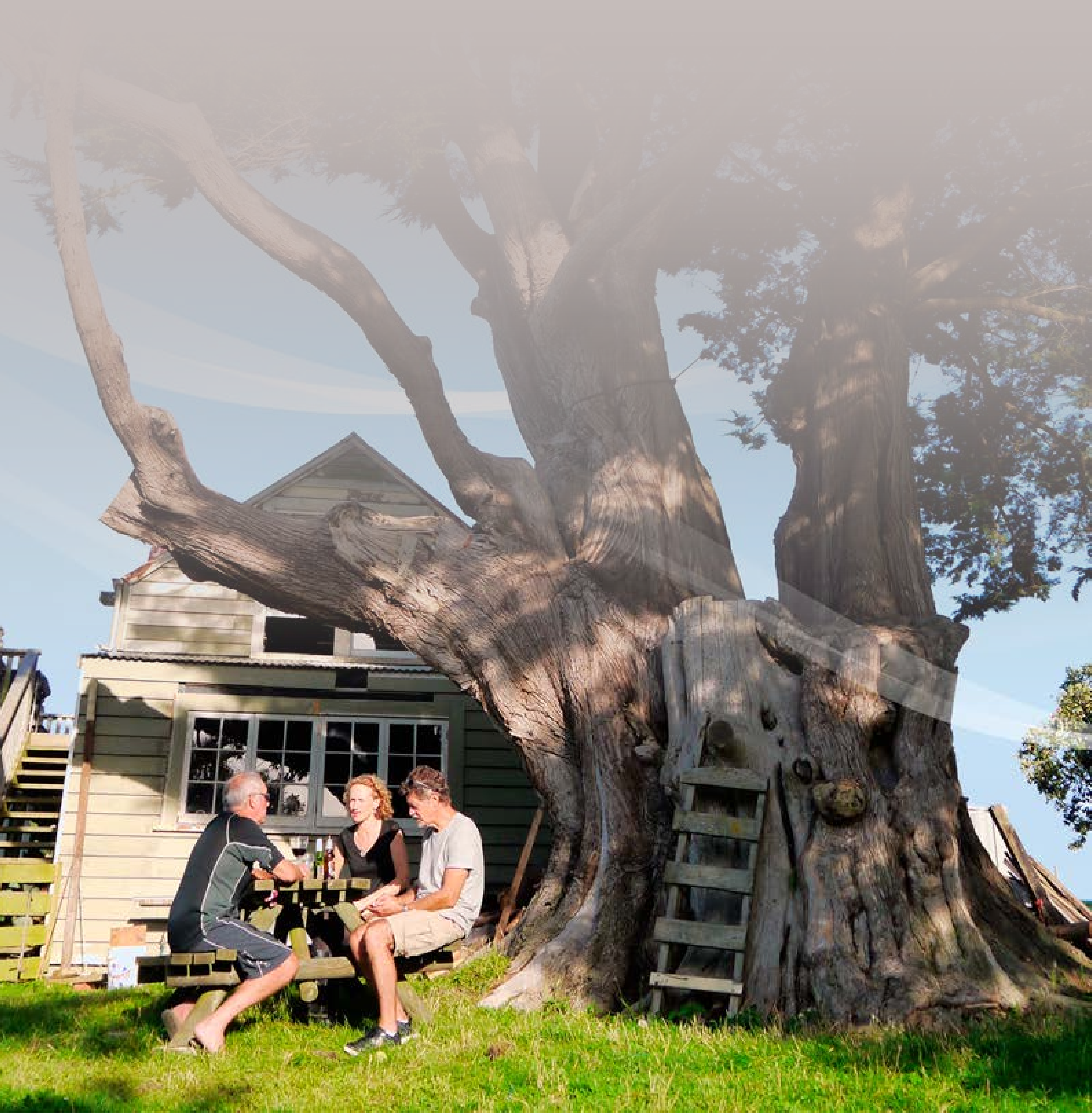
ANNUAL REPORT 2013/2014



Annual Report 2013/2014



Message from the Chair and CEO

We're pleased to report that QV has delivered another strong financial result. This success reflects a renewed focus on the homeowner, astute investments in technology, the pursuit of new business opportunities, and continued performance excellence.

QV has achieved a pre-tax profit before impairments of $6.4 million, and paid a record $8.3 million in ordinary and special dividends to the shareholders. This result is testament to the company's ability to recognise and respond to the social and economic environments in which it works.

Responding to market needs

New Zealand continues to emerge in good shape from the global financial crisis, achieving 3.8 percent annual GDP growth between the March 2013 and 2014 quarters. Two key influences on the property market during the year were rising interest rates and the introduction of loan-to-value ratio restrictions.

In 2013/14 we invested in a number of strategic initiatives. Through them we enhanced the customer experience, improved productivity in our business and reduced service costs for our customers.

This success reflects a commitment to placing homeowners at the heart of our business. We recognise their role as influencers and decision-makers, and aim to support them to make informed property decisions when, how and where they want to. This includes investing in innovative technology and online solutions that both enable us to interact effectively with homeowners and enable our people to provide exceptional service.

To the future with confidence

Looking ahead, we're confident that QV can build on this year's success to further consolidate its position in the property industry.

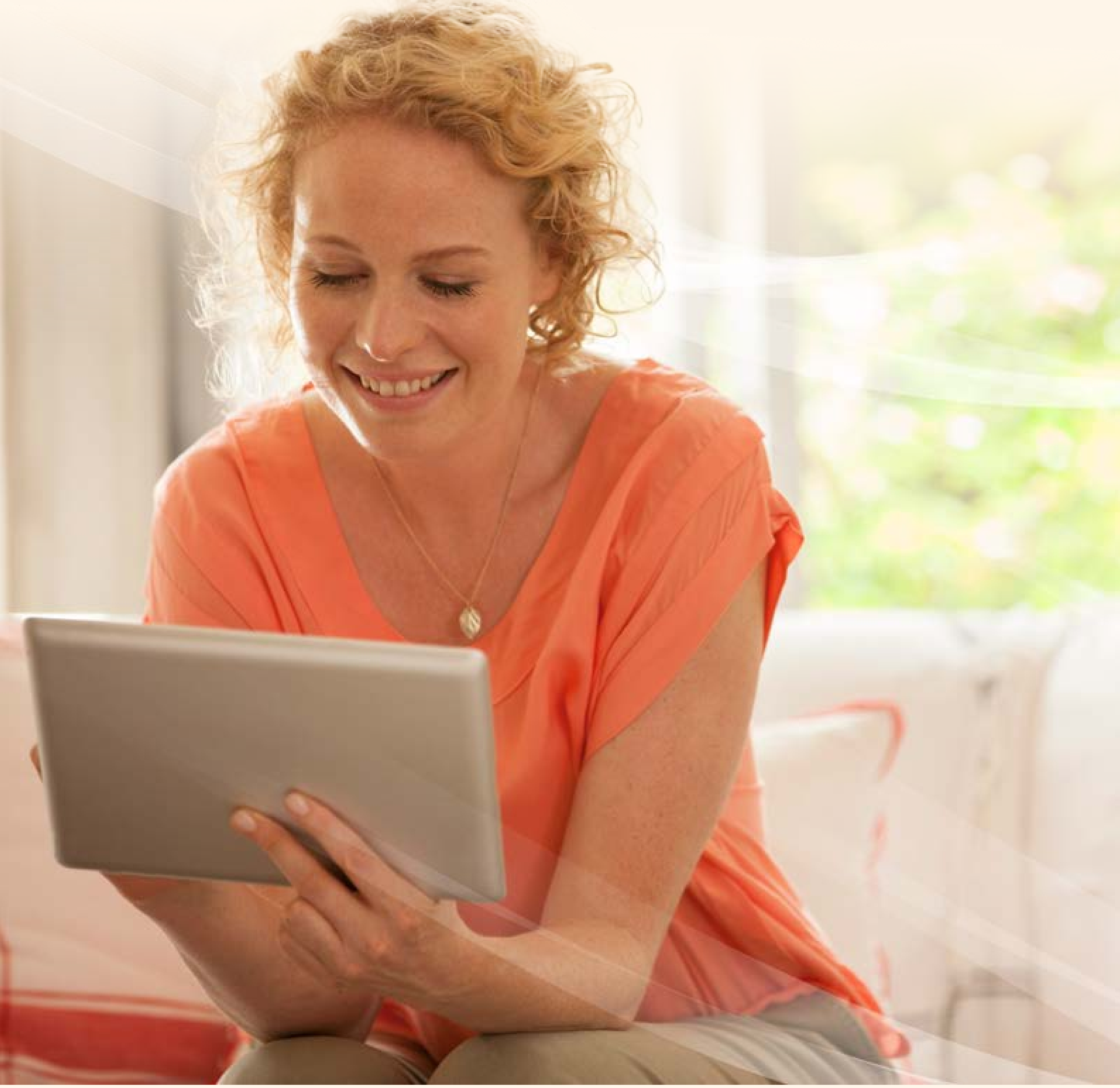
Technology will continue to have a key role in our work programme. We're already developing a number of exciting new digital initiatives that will make it even easier for homeowners to connect with QV and get the information they're looking for.

We would like to thank all the directors for their contribution to QV's success during 2013/14. Their support has been vital in enabling change and innovation, and their experience and insights have added great value to the process.

Additional source:
www.beehive.govt.nz/release/growth-picks-38-cent-march-year

Bill Osborne
CEO

Phil Lough
Chair



Financial Performance

Directors' Responsibility Statement

For the year ended 30 June 2014

The Directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of the financial statements which give a true and fair view of the financial position of Quotable Value Limited (the Company) and the Group as at 30 June 2014 and the results of their operations and cash flows for the year ended 30 June 2014. The Group comprises Quotable Value Limited, New Zealand Valuation Limited, Darroch Limited, and Quotable Value Australia Pty Limited.

The Directors consider that the financial statements of the Company and the Group have been prepared using accounting policies appropriate to the Company and Group circumstances, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable New Zealand equivalents to International Financial Reporting Standards have been followed.

The Directors have responsibility for the maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Directors consider that adequate steps have been taken to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities. The Directors are pleased to present the financial statements of the Company and Group for the year ended 30 June 2014. This annual report is dated 29 September 2014 and is signed in accordance with a resolution of the Directors made pursuant to section 211(1)(k) of the Companies Act 1993.

For and on behalf of the Directors

Phil Lough
Chair

Raewyn Lovett
Director

Dated this 29th day of September 2014

Statement of Comprehensive Income

For the year ended 30 June 2014

		Group		Parent Company	
		2014	2013	2014	2013
	Notes	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Revenue					
Trading revenue	2 (a)	41,398	40,850	26,861	22,962
Investment revenue	2 (b)	33	120	685	915
Total income		**41,431**	**40,970**	**27,546**	**23,877**
Expenses					
Personnel expenses	2 (c)	(24,959)	(27,085)	(15,506)	(13,832)
Operating expenses	2 (c)	(5,425)	(5,606)	(3,613)	(3,401)
Marketing expenses		(235)	(176)	(217)	(137)
Occupancy expenses		(1,936)	(2,261)	(1,049)	(908)
Administration expenses		(790)	(966)	(512)	(572)
Depreciation and amortisation expense	2 (c)	(894)	(1,027)	(749)	(711)
Impairment of goodwill		-	(1,400)	-	-
Impairment of value in subsidiary		-	-	-	(3,100)
Finance costs		(39)	(68)	(39)	(71)
Consulting expense		(414)	(621)	(414)	(528)
Other expense	2 (c)	(2,376)	(2,302)	(1,711)	(1,573)
Total expenses		**(37,068)**	**(41,512)**	**(23,810)**	**(24,833)**
Profit (Loss) before JV share of income		4,363	(542)	3,736	(956)
Capital gain on sale of investments		971	-	1,511	-
Share of JV profit/ (loss)	10	1,100	1,360	-	-
Profit (Loss) before taxation		**6,434**	**818**	**5,247**	**(956)**
Income tax expense	3	(1,212)	(473)	(854)	(9)
Profit (Loss) for the year net of tax	21	**5,222**	**345**	**4,393**	**(965)**
Profit (Loss) for the year is attributable to:					
Equity holders of the parent		5,222	345	4,393	(965)
		5,222	**345**	**4,393**	**(965)**
Profit (Loss) for the year net of tax		5,222	345	4,393	(965)
Other Comprehensive income					
Translation of foreign operations	19	(47)	(208)	-	-
Other comprehensive income for the year, net of tax		**(47)**	**(208)**	**-**	**-**
Total comprehensive income for the year		**5,175**	**137**	**4,393**	**(965)**
Total comprehensive income is attributable to:					
Equity holders of the parent		5,175	137	4,393	(965)
		5,175	**137**	**4,393**	**(965)**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2014

	Fully paid ordinary shares	Retained earnings	Reserves	Total
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Group				
Balance as at 1 July 2012	4,600	17,909	494	23,003
Total comprehensive income for the year, net of tax	-	345	-	345
Payment of dividends	-	(5,960)	-	(5,960)
Arising on translation of independent foreign operations	-	-	(208)	(208)
Balance as at 1 July 2013	**4,600**	**12,294**	**286**	**17,180**
Total comprehensive income for the year, net of tax	-	5,222	-	5,222
Arising on translation of independent foreign operations	-	-	(47)	(47)
Payment of dividends	-	(8,320)	-	(8,320)
Balance as at 30 June 2014	**4,600**	**9,196**	**239**	**14,035**
Parent				
Balance as at 1 July 2012 as previously reported	4,600	19,189	-	23,789
Reduction in value of investments in subsidiary	-	(1,947)	-	(1,947)
Balance as at 1 July 2012 as restated	**4,600**	**17,242**	**-**	**21,842**
Total comprehensive income for the year, net of tax	-	(965)	-	(965)
Payment of dividends	-	(5,960)	-	(5,960)
Balance as at 1 July 2013	**4,600**	**10,317**	**-**	**14,917**
Total comprehensive income for the year, net of tax	-	4,393	-	4,393
Payment of dividends	-	(8,320)	-	(8,320)
Balance as at 30 June 2014	**4,600**	**6,390**	**-**	**10,990**

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2014

	Notes	Group 2014 $NZ'000	Group 2013 $NZ'000	Parent Company 2014 $NZ'000	Parent Company 2013 $NZ'000	Parent Company 2012 $NZ'000
Current assets						
Cash and cash equivalents	5	1,781	1,561	518	1,039	4,547
Trade and other receivables	6	8,034	5,972	5,609	3,111	3,354
Loans to subsidiary companies	10, 13	-	-	140	-	-
Vendor loan – current		107	107	107	107	-
Taxation receivable		341	664	498	676	571
Total current assets		**10,263**	**8,304**	**6,872**	**4,933**	**8,472**
Non-current assets						
Vendor loan – non current		107	213	107	213	-
Investment in subsidiary companies	10, 11	-	-	2,093	2,800	5,900
Investment in joint venture	10, 12	11,716	13,345	8,757	10,946	10,946
Property, plant and equipment	7	570	675	406	500	369
Goodwill	8	1,148	1,148	659	159	159
Intangible assets	9	961	1,324	933	1,283	1,012
Deferred taxation	3	756	1,141	608	899	1,031
Total non-current assets		**15,258**	**17,846**	**13,563**	**16,800**	**19,417**
Total assets		**25,521**	**26,150**	**20,435**	**21,733**	**27,889**
Current liabilities						
Loans from subsidiary companies	10, 13	-	-	-	657	196
Trade and other payables	16	2,247	1,548	1,689	657	1,124
Employment entitlements	17	4,016	3,577	2,774	2,045	2,348
Provisions	18	1,008	1,383	923	1,273	1,286
Taxation payable		-	-	-	-	-
Total current liabilities		**7,271**	**6,508**	**5,386**	**4,632**	**4,954**
Non-current liabilities						
Borrowings	14	3,000	1,100	3,000	1,100	-
Employment entitlements	17	215	273	59	84	93
Provisions	18	1,000	1,089	1,000	1,000	1,000
Total non-current liabilities		**4,215**	**2,462**	**4,059**	**2,184**	**1,093**
Total liabilities		**11,486**	**8,970**	**9,445**	**6,816**	**6,047**
Net assets		**14,035**	**17,180**	**10,990**	**14,917**	**21,842**
Equity						
Issued capital	4	4,600	4,600	4,600	4,600	4,600
Reserves	19	239	286	-	-	-
Retained earnings	20	9,196	12,294	6,390	10,317	17,242
Total equity		**14,035**	**17,180**	**10,990**	**14,917**	**21,842**

For and on behalf of the Board, who authorised the issue of these financial statements on 29 September 2014.

Phil Lough
Chair

Raewyn Lovett
Director

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2014

	Notes	Group 2014	Group 2013	Parent Company 2014	Parent Company 2013
		$NZ'000	$NZ'000	$NZ'000	$NZ'000
Cash flows from operating activities					
Cash was provided from:					
Revenues from operations		40,275	42,364	25,660	23,205
Interest received		33	120	29	69
		40,308	**42,484**	**25,689**	**23,274**
Cash was applied to:					
Payments to employees and suppliers		36,467	40,476	22,751	21,834
Net GST paid (received)		61	(51)	(8)	(5)
Interest paid		39	68	39	71
Income tax paid (received)		504	125	398	(104)
		37,071	**40,618**	**23,180**	**21,796**
Net cash flows from operating activities	21	**3,237**	**1,866**	**2,509**	**1,478**
Cash flows from investing activities					
Cash was provided from:					
Dividends received		-	846	542	846
Vendor loan		106	-	106	-
Proceeds from sale of property, plant and equipment		23	-	23	-
Loans from/to subsidiaries		-	-	-	461
Repayment of share capital by Darroch Limited		-	-	707	-
PropertyInsight joint venture wind up		-	41	-	-
Part sale of share in CoreLogic NZ Limited		3,700	-	3,700	-
		3,829	**887**	**5,078**	**1,307**
Cash was applied to:					
Loans from/to subsidiaries		-	-	683	-
Purchase of rural business		-	-	700	-
Purchase of property, plant and equipment		426	1,444	305	1,433
		426	**1,444**	**1,688**	**1,433**
Net cash flows from investing activities		**3,403**	**(557)**	**3,390**	**(126)**
Cash flows from financing activities					
Cash was provided from:					
Loan advance		1,900	1,100	1,900	1,100
		1,900	**1,100**	**1,900**	**1,100**
Cash was applied to:					
Loans repaid		-	-	-	-
Purchase of share capital		-	-	-	-
Dividends paid		8,320	5,960	8,320	5,960
		8,320	**5,960**	**8,320**	**5,960**
Net cash flows from financing activities		**(6,420)**	**(4,860)**	**(6,420)**	**(4,860)**
Net increase (decrease) in cash and cash equivalents		220	(3,551)	(521)	(3,508)
Effect of exchange rate on translation of independent foreign operations		-	-	-	-
Plus cash and cash equivalents as at 1 July		1,561	5,112	1,039	4,547
Cash and cash equivalents as at 30 June		**1,781**	**1,561**	**518**	**1,039**

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2014

1. Summary of Accounting Policies

Reporting Entity

These are the financial statements of Quotable Value Limited and Group. Quotable Value Limited is a State-Owned Enterprise in terms of the State-Owned Enterprises Act 1986. The Group comprises of Quotable Value Limited, Darroch Limited, and New Zealand Valuation Limited which are registered under the Companies Act 1993 and Quotable Value Australia Pty Limited which is registered in Australia under the Corporations Law.

The Group became a State-Owned Enterprise on 25 January 2005, previously the Group was a Crown Entity. The Group is incorporated and domiciled in New Zealand. Its principal activity is the provision of property valuations and data. The Group has designated itself as a for profit entity for the purposes of New Zealand equivalent to International Financial Reporting Standards (NZ IFRS).

The financial statements were authorised for issue by Directors on 29 September 2014.

Statement of Compliance

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), the requirements of the State-Owned Enterprises Act 1986, the Companies Act 1993, and the Financial Reporting Act 1993.

They comply with the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards. Compliance with NZ IFRS ensures that the consolidated financial statements also comply with International Financial Reporting Standards (IFRS).

Basis of Preparation

The financial statements have been prepared on an historical cost basis.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014, and the comparative information presented in these financial statements for the year ended 30 June 2013.

Functional and Presentation Currency

These financial statements are presented in New Zealand dollars ($), which is Quotable Value Limited's functional currency. All financial information presented in New Zealand dollars has been shown in thousands and is rounded to the nearest thousand dollar.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Details of standards, amendments and interpretations that have been adopted are as follows:

The Company has adopted the following new standards and amendments to standards.

NZ IFRS 13 Fair Value Measurement

IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7.

The change had no impact on the Company assets and liabilities.

NZ IFRS 10 Consolidated Financial Statements

NZ IFRS 10 establishes a new control model. It replaces parts of NZ IAS 27 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. The new control model broadens the situations when an entity is considered to control another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. The adoption of this standard has had no negative affect on the Company.

NZ IFRS 11 Joint Arrangements

NZ IFRS 11 replaces NZ IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. NZ IFRS 11 uses the principle of control in NZ IFRS 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition NZ IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves are accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method. This equity method has already been adopted by Quotable Value Limited and Group.

Amendment to NZ IAS 28

NZ IAS 28 Investments in Associates and Joint Ventures (as amended in 2011) supersedes NZ IAS 28 Investments in Associates (2004), as a result of the issue of NZ IFRS 11 Joint Arrangements and NZ IFRS 12 Disclosure of Interests in Other Entities. NZ IAS 28 (as amended in 2011) prescribes the accounting for investments in associates and joint ventures, and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. Disclosure required relating to these investments are now contained in NZ IFRS 12. The equity method has already been adopted by Quotable Value Limited and Group.

NZ IAS 19 Employee Benefits (amended standard)

This change has had no impact on the recognised assets, liabilities and comprehensive income of the company. The amendments largely affected defined benefit plans and longer term employee entitlements.

Details of standards, amendments and interpretations that are not yet effective and have not been early adopted.

Standards, amendments and interpretations, issued, but not yet effective, that have not been early adopted and which are relevant to the Company are:

IFRS 9 Financial Instruments (2010), IFRS 9 Financial Instruments (2009)

IFRS 9 (2009) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9 (2009), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows.

IFRS 9 (2010) introduces additional changes relating to financial liabilities. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of IFRS 9 and add new requirements to address the impairment of financial assets and hedge accounting.

IFRS 9 (2010) and (2009) are effective for annual periods beginning on or after 1 January 2015, with early adoption permitted. The adoption of these standards is expected to have little impact on the company's financial assets and liabilities.

Significant Accounting Policies

The following accounting policies which materially affect the measurement of financial performance and financial position for the Parent and Group have been applied:

(a) Budget Figures

The budget figures if disclosed are those approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

(b) Consolidation of Subsidiaries

Subsidiaries are those entities that are controlled by the Company.

The Group financial statements incorporate the financial statements of the Company (Quotable Value Limited) and its 100% owned subsidiaries (Darroch Limited, Quotable Value Australia Pty Limited, and New Zealand Valuation Limited). The subsidiaries are accounted for using the purchase method which involves adding together corresponding assets, liabilities, revenues and expenses on a line by line basis. Details are disclosed in Notes 10 and 11.

The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control the subsidiary.

All significant inter-Company transactions, balances and unrealised profits are eliminated in full upon consolidation. In the Parent Company financial statements, the investments in the subsidiary are stated at cost.

(c) Accounting for Joint Ventures and Joint Venture Companies

CoreLogic Limited (formerly PropertyIQ Limited) is a joint arrangement with the Company in which there is a contractual agreement to undertake a specific business project in which the venturers share several liability in respect of the costs and liabilities of the project and share in any resulting output.

Jointly controlled assets and operations

Interests in jointly controlled assets and operations are accounted for under the equity method in the consolidated financial statements and the cost method in the Company financial statements. There are currently no jointly controlled assets and operations.

Jointly controlled entities (CoreLogic Limited)

Interests in jointly controlled entities are accounted for under the equity method in the consolidated financial statements and the cost method in the Company financial statements. On 2 September 2013, 20% of the Group holding was disposed of for $3,700,000. The Group now recognises 40% (2013: 50%) share of profit and dividends.

(d) Revenue

Quotable Value Limited and Group derives revenue through the provision of services to third parties and income from investments.

Revenue is measured at the fair value of the consideration received/receivable. Partially completed services are valued on a time and cost basis excluding costs deemed not collectible.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(e) Receivables

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(f) Property, Plant and Equipment

Property, plant and equipment asset classes consist of leasehold improvements, motor vehicles, office equipment, furniture and fittings, and general hardware.

Property, plant and equipment are stated at cost less depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and the cost of the property, plant or equipment can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Any gains and losses on disposals are included in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefits or service potential associated with the item will flow to the entity and the cost of the property, plant and equipment can be measured reliably.

The day-to-day servicing costs of property, plant and equipment are recognised in the Statement of Comprehensive Income when they are incurred.

Depreciation

Property, plant and equipment are depreciated on a straight line basis that will write off the cost of the assets to their estimated residual value over their useful life.

The depreciation rates used in the preparation of these statements are as follows:

Asset	Depreciation Rate
Furniture and fittings	15%
Motor vehicles	20%
Office equipment	33%
General hardware	25%
Leasehold improvements	33%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

The cost of leasehold improvements is capitalised and depreciated over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is the shorter.

(g) Investments

At each year end an assessment is made as to whether there is any objective evidence that an investment is impaired.

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method. For bank deposits, impairment is established when there is objective evidence that Quotable Value Limited will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into bankruptcy, and default in payments are considered indicators that the deposit is impaired.

Quotable Value Limited's investments in its subsidiaries and joint venture Company are held at cost.

Any write-downs are recognised in the Statement of Comprehensive Income.

(h) Work in Progress

Work in progress is work undertaken but not invoiced at month end.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the Statement of Financial Position.

The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as net operating cash flows.

Commitments and contingencies are disclosed exclusive of GST.

(j) Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on 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 is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those 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 for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, 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.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of 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.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

(k) Borrowings

Borrowings are recorded initially at fair value, plus transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method.

(l) Borrowing Costs

Interest expense is accrued on a time basis using the effective interest method.

All borrowing costs are recognised as an expense in the period in which the charge relates to.

(m) Intangible Assets

Goodwill
Goodwill on acquisition of subsidiaries is recognised as an asset and separately identified. Goodwill is not amortised, but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in Statement of Comprehensive Income and is not subsequently reversed.

Software acquisition and development
Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include software development, employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs of maintaining computer software are recognised as an expense when incurred.

Costs of developing and maintaining the Company website are recognised as an expense when incurred.

Database and software

The QIVS II Database and software are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes being recognised as a change in accounting estimate.

The amortisation rates used in the preparation of these statements are as follows:

Asset	Amortisation Rate
QIVS II Database	15%
Software	33%

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases the date the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 years	33%

(n) Non-Derivative Financial Instruments

Non-derivative financial instruments include trade and other receivables (excluding prepayments), cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value on the date the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised if the entity contractual rights to the cash flows from the financial assets expire or if the entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Financial liabilities are derecognised if the entity’s obligations specified in the contract expire or are discharged or cancelled.

(o) Leases

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

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to Quotable Value Limited are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the Statement of Comprehensive Income.

(p) Foreign Currency Transactions

Foreign currency transactions (including those for which forward exchange contracts are held) are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

(q) Translation of Financial Statements of Foreign Operations

Assets and liabilities of independent foreign operations are translated at the closing rate. Revenue and expense items are translated at Treasury mid month exchange rates over the year, as a surrogate for the spot rates at transaction dates. Exchange differences arising from the foregoing are taken to the Statement of Comprehensive Income and then accumulated to a foreign currency translation reserve in equity.

(r) Reserves

Foreign currency translation differences of independent foreign operations shall be recognised in equity in a foreign currency reserve.

(s) Research and Development

Development costs are recognised as an asset when all of the following criteria are met:

- the product or process is clearly defined and the costs attributable to the product or process can be identified separately and measured reliably;
- the technical feasibility of the product or process can be demonstrated;
- the Company and Group intends to produce and market, or use, the product or process;
- the existence of a market for the product or process or its usefulness to the Company and Group, if it is to be used internally, can be demonstrated; and
- adequate resources exist, or their availability can be demonstrated, to complete the project and market or use the product or process.

Capitalisation is limited to that amount which, taken together with further related costs, is probable of recovery from related future benefits.

Development costs recognised as an asset are amortised on a straight line basis over the period of expected benefits.

All other development costs and all research costs are recognised as expenses in the period in which they are incurred.

(t) Financial Instruments

Quotable Value Limited and Group are parties to financial instruments as part of their normal operations. These financial instruments include bank accounts, short-term deposits, debtors, creditors and loans. All financial instruments are recognised in the Balance Sheet and all revenues and expenses in relation to financial instruments are recognised in the Statement of Comprehensive Income.

(u) Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Company and Group invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the Company and Group and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure.

(v) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term (less than 3 months), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown with borrowings in current liabilities in the balance sheet.

(w) Lease Make Good Provision

The Company has an obligation to return lease premises to the same condition as at the commencement of the lease. The amount recognised is the best estimate of the consideration required to settle this obligation.

(x) Payables

Trade payables and other accounts payable are recognised when the Company and Group becomes obliged to make future payments resulting from the purchase of goods and services.

(y) Impairment of Assets

The Group reviews the carrying amounts of its finite life tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. In that case the recoverable amount of the asset is estimated in order to determine the extent of impairment loss if any.

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 the assets fair value less the cost to sell and value in use.

Goodwill with indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

An impairment loss is recognised in the Statement of Comprehensive Income immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

(z) Provisions

Provisions are recognised when the Group has a present obligation (either 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.

(aa) Employee Entitlements

Short-term employee entitlements
Provision is made in respect of the Company and Group liability for wages and salaries, annual leave, long service leave and retirement leave. Annual leave and other entitlements that are expected to be settled within 12 months of reporting date, are measured at nominal values on an actual entitlement basis at current rates of pay.

Long-term employee entitlements
Entitlements that are payable beyond 12 months, such as long service leave and retirement leave, have been calculated on an actuarial basis based on the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(ab) Superannuation Schemes

Defined contribution schemes

Obligations for contributions to Kiwisaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the Statement of Comprehensive Income as incurred.

Australian schemes

The Group contributed to a number of defined contribution superannuation plans. Contributions to superannuation plans are based on percentages of employee gross salaries.

(ac) Restructuring Provision

The Parent Company has no formal restructuring program and no provisions have been made.

(ad) Change in comparative figures for Investment in Subsidiaries

Investment in subsidiaries balances in Quotable Value Limited (Parent) have been restated to recognise impairments of goodwill and performance by the subsidiary.

This restatement does not impact the Group accounts as changes are eliminated on consolidation.

The impact of these changes on the 2013 comparative figures for the Parent are as follows:

	Current treatment	Change	Previous treatment
	$NZ'000	$NZ'000	$NZ'000
Profit/Loss for the year net of tax	(965)	(3,100)	2,135
Total comprehensive income	(965)	(3,100)	2,135
Investment in subsidiary - 30 June 2013	2,800	(5,047)	7,847
Retained earnings - 1 July 2012	17,242	(1,947)	19,189
Retained earnings - 30 June 2013	10,317	(5,047)	15,364
Total equity - 1 July 2012	21,842	(1,947)	23,789
Total equity - 30 June 2013	14,917	(5,047)	19,964

(ae) Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under NZ IFRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with NZ IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss. The Company's goodwill accounting policy is set out in Note 8 below.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the identifiable assets, liabilities and contingent liabilities recognised.

Critical Accounting Judgements and Estimates

In preparing these financial statements Quotable Value Limited and Group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, plant and equipment useful lives and residual value

At each balance date Quotable Value Limited and Group reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires Quotable Value Limited and Group to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by Quotable Value Limited and Group, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact the depreciation expense recognised in the Statement of Comprehensive Income, and carrying amount of the asset in the Statement of Financial Position.

Quotable Value Limited and Group minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programs;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

Quotable Value Limited and Group has not made significant changes to past assumptions concerning useful lives and residual values. The carrying amounts of property, plant and equipment are disclosed in Note 7.

Retirement and long service leave

Note 18 provides an analysis of the exposure in relation to estimates and uncertainties surrounding retirement and long service leave liabilities.

Critical Judgements in Applying Quotable Value Limited and Group's Accounting Policies

Management has exercised the following critical judgements in applying Quotable Value Limited and Group's accounting policies for the period ended 30 June 2014:

Leases classification

Determining whether a lease agreement is a finance or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to Quotable Value Limited and Group. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the Statement of Financial Position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

Goodwill impairment

A review of goodwill is undertaken annually to determine that the carrying amount shown in the Statement of Financial Position is a fair value based on the cash generating units of the Company. Note 8 provides an analysis of the carrying amount of goodwill.

2. Income and Expenses

Revenue and expenses from continuing operations includes:

(a) Revenue

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Revenue from rendering services	41,398	40,850	26,861	22,962
	41,398	**40,850**	**26,861**	**22,962**

(b) Investment Revenue

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Interest income	33	120	29	69
Dividend income	-	-	656	846
	33	**120**	**685**	**915**

(c) Expenses

		Group		Parent Company	
		2014	2013	2014	2013
	Notes	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Personnel expenses					
Personnel expenses		24,063	27,185	14,470	13,906
Superannuation contributions		451	351	332	238
Movement in long service leave		(30)	(8)	(25)	(9)
Movement in holiday pay		(18)	(243)	60	(77)
Movement in other employee entitlements		493	(200)	669	(226)
		24,959	**27,085**	**15,506**	**13,832**
Operating expenses					
Communication expenses		777	828	512	497
Computer operating expenses		3,687	3,671	2,266	2,115
Travel expenses		419	523	326	269
Vehicle expenses		542	584	509	520
		5,425	**5,606**	**3,613**	**3,401**
Depreciation and amortisation expense					
Amortisation of intangible assets		612	782	572	544
Depreciation		282	245	177	167
		894	**1,027**	**749**	**711**
Other expense					
Audit fee	2 (d)	200	193	100	104
Board expenses		300	259	277	239
Loss/gain on disposal of assets		39	-	41	-
Insurance		1,094	1,228	689	714
Other costs		137	68	59	96
Other valuation costs		591	536	530	402
Research & development		15	18	15	18
		2,376	**2,302**	**1,711**	**1,573**

(d) Auditors Remuneration

	Notes	Group 2014	Group 2013	Parent Company 2014	Parent Company 2013
		$NZ'000	$NZ'000	$NZ'000	$NZ'000
Fees paid to auditors for:					
Audit fees of financial statements		165	168	100	104
Other auditors' fees for audit of Real Estate Trust Accounts		35	25	-	-
Total audit fees	2 (c)	**200**	**193**	**100**	**104**

3. Income Tax Expense

(a) The prima facie income tax expenses on pre-tax accounting profit from operations reconciles to the income tax expenses in the financial statements as follows:

	Group 2014	Group 2013	Parent Company 2014	Parent Company 2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Relationship between tax expense and accounting profit				
Profit from operations	6,434	818	5,247	(956)
Income tax expense at 28% NZ	**1,802**	**229**	**1,469**	**(268)**
Plus/(less) tax effect of:				
Non taxable income	(657)	(158)	(562)	(167)
Non deductible expenditure	18	402	15	873
Timing differences	189	-	72	-
Group loss offset	-	-	-	(429)
Tax losses brought forward	(140)	-	(140)	-
	1,212	**473**	**854**	**9**
Components of tax expense				
Current tax expense	827	202	563	-
Deferred tax	385	427	291	132
Adjustment to current taxation	-	(156)	-	(123)
Tax expense	**1,212**	**473**	**854**	**9**

(b) Imputation Credit Account

	Group 2014	Group 2013	Parent Company 2014	Parent Company 2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Imputation credits available for use in subsequent periods	**1,668**	**3,751**	**1,097**	**3,400**

(c) Deferred Taxation

The following table shows the deferred tax liability for the year:

	Group 2014	Group 2013	Parent Company 2014	Parent Company 2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Balance as at 1 July	(1,141)	(1,568)	(899)	(1,031)
Movements during the year:				
Temporary differences	385	427	291	132
Balance as at 30 June	**(756)**	**(1,141)**	**(608)**	**(899)**

The following tables show a breakdown of the deferred tax liability for the year. Table (i) is for the Group and table (ii) is for the Company.

(c)(i) Deferred tax assets/(liabilities) for the Group

	2013 Opening Balance	2014 Charged to Income	2014 Charged to Equity	2014 Closing Balance
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross deferred tax liabilities				
Property, plant and equipment	(8)	78	-	70
WIP	(226)	(73)	-	(299)
	(234)	**5**	**-**	**(229)**
Gross deferred tax asset				
Employee entitlements	531	(121)	-	410
Doubtful debt and impairment losses	30	9	-	39
Imputation credits converted to losses	56	(56)	-	-
Tax loss c/f	122	(122)	-	-
Provisions	636	(100)	-	536
	1,375	**(390)**	**-**	**985**
Total	**1,141**	**(385)**	**-**	**756**

(c)(ii) Deferred tax assets/(liabilities) for the Parent Company

	2013 Opening Balance	2014 Charged to Income	2014 Charged to Equity	2014 Closing Balance
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross deferred tax liabilities				
Property, plant and equipment	(20)	83	-	63
WIP	(82)	(149)	-	(231)
	(102)	**(66)**	**-**	**(168)**
Gross deferred tax asset				
Employee entitlements	300	(65)	-	235
Doubtful debt and impairment losses	9	1	-	10
Imputation credits converted to losses	56	(56)	-	-
Provisions	636	(105)	-	531
	1,001	**(225)**	**-**	**776**
Total	**899**	**(291)**	**-**	**608**

4. Share Capital

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Balance at 1 July	4,600	4,600	4,600	4,600
Balance at 30 June	**4,600**	**4,600**	**4,600**	**4,600**

At 30 June 2014 the Company has authorised and issued 4,600,000 shares fully paid (2013: 4,600,000). The shares have no par value. All shares carry equal voting rights and the right to share in any surplus on winding up of the Company. None of the shares carry fixed dividend rights. There is no right of redemption attached to these shares.

5. Cash and Cash Equivalents

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Cash at bank	1,777	1,556	515	1,036
Petty cash	4	5	3	3
	1,781	**1,561**	**518**	**1,039**

The carrying value of the short-term deposits with maturity dates of three months or less approximates their fair value.

6. Trade and Other Receivables

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Trade receivables	6,074	3,965	4,073	1,927
Allowance for doubtful debts	(112)	(80)	(34)	(30)
	5,962	**3,885**	**4,039**	**1,897**
Related party receivables - trade	201	67	258	81
Prepayments	472	415	342	323
Work in progress	1,399	1,605	970	810
	8,034	**5,972**	**5,609**	**3,111**

The average credit period on sales of services is 30 days. No interest is charged on the trade receivables. An allowance has been made for doubtful debts based on calculations made by management taking into account historical trends.

As at 30 June 2014 all overdue receivables have been assessed for impairment and appropriate provisions applied. Schedule (a) is the aged debtors schedule for the Group and schedule (b) is the aged debtors schedule for the Parent Company.

(a) Aged Debtors Schedule for the Group

	2014			2013		
	Gross	Impairment	Net	Gross	Impairment	Net
	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Not past due	5,420	-	5,420	3,259	-	3,259
Past due 1-30 days	396	-	396	376	-	376
Past due 31-60 days	119	(24)	95	157	-	157
Past due 61-90 days	139	(88)	51	173	(80)	93
Total trade receivables for the Group	**6,074**	**(112)**	**5,962**	**3,965**	**(80)**	**3,885**

(b) Aged Debtors Schedule for the Parent Company

	2014			2013		
	Gross	Impairment	Net	Gross	Impairment	Net
	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Not past due	3,959	-	3,959	1,606	-	1,606
Past due 1-30 days	65	-	65	199	-	199
Past due 31-60 days	39	(24)	15	71	-	71
Past due 61-90 days	10	(10)	-	51	(30)	21
Total trade receivables for the Parent Company	**4,073**	**(34)**	**4,039**	**1,927**	**(30)**	**1,897**

Movement in provision for doubtful debts

	Group		Parent Company	
	2014	**2013**	**2014**	**2013**
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Balance at 1 July	80	252	30	34
Additional provisions made/(released) during the year	25	(167)	4	3
Bad debts recovered	7	-	-	-
Receivables written off during the period	-	(5)	-	(7)
Balance at 30 June	**112**	**80**	**34**	**30**

7. Property, Plant and Equipment

The fair value of the property, plant and equipment is approximately equal to their carrying amount. In the year ended 30 June 2014 for the Company and Group there were no:

- items of property, plant or equipment which were not in current use.
- impairment losses recognised or reversed in the current period.
- borrowing costs capitalised.
- restriction in title relating to property, plant and equipment or items pledged as security for liabilities.

The following schedule shows the movements of property, plant and equipment for the year ended 30 June 2014. Table (a) shows the movements for the Group and table (b) shows the movements for the Parent Company.

(a) Movements in Property, Plant and Equipment for the Group

	Leasehold Improvements	Motor Vehicles	Office Equipment	Furniture & Fittings	WIP	General Hardware	Core Application Hardware	Total
	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross carrying amount								
Balance as at 1 July 2012	1,008	350	147	537	27	522	88	2,679
Additions	196	101	4	132	-	-	-	433
Disposals	(179)	(75)	(42)	(151)	(27)	(156)	(11)	(641)
Balance as at 30 June 2013 / 1 July 2013	**1,025**	**376**	**109**	**518**	**-**	**366**	**77**	**2,471**
Additions	110	22	21	78	-	-	-	231
Disposals	(91)	(53)	(23)	(107)	-	(46)	-	(320)
Balance as at 30 June 2014	**1,044**	**345**	**107**	**489**	**-**	**320**	**77**	**2,382**
Accumulated depreciation and impairment losses								
Balance as at 1 July 2012	(830)	(159)	(133)	(375)	-	(478)	(88)	(2,063)
Disposals	146	47	38	115	-	155	11	512
Depreciation expense	(69)	(64)	(9)	(91)	-	(12)	-	(245)
Balance as at 30 June 2013 / 1 July 2013	**(753)**	**(176)**	**(104)**	**(351)**	**-**	**(335)**	**(77)**	**(1,796)**
Disposals	80	18	24	102	-	42	-	266
Depreciation expense	(163)	(54)	(7)	(54)	-	(4)	-	(282)
Balance as at 30 June 2014	**(836)**	**(212)**	**(87)**	**(303)**	**-**	**(297)**	**(77)**	**(1,812)**
Net book value								
As at 30 June 2013	272	200	5	167	-	31	-	675
As at 30 June 2014	**208**	**133**	**20**	**186**	**-**	**23**	**-**	**570**

(b) Movements in Property, Plant and Equipment for the Parent Company

	Leasehold Improvements	Motor Vehicles	Office Equipment	Furniture & Fittings	WIP	General Hardware	Core Application Hardware	Total
	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross carrying amount								
Balance as at 1 July 2012	792	318	102	322	27	314	82	1,957
Additions	196	71	1	115	-	-	-	383
Disposals	(84)	(75)	(11)	(87)	(27)	(29)	(4)	(317)
Balance as at 30 June 2013 / 1 July 2013	**904**	**314**	**92**	**350**	**-**	**285**	**78**	**2,023**
Additions	33	22	9	65	-	-	-	129
Disposals	(17)	(53)	(21)	(20)	-	(19)	-	(130)
Balance as at 30 June 2014	**920**	**283**	**80**	**395**	**-**	**266**	**78**	**2,022**
Accumulated depreciation and impairment losses								
Balance as at 1 July 2012	(739)	(138)	(96)	(241)	-	(292)	(82)	(1,588)
Disposals	79	47	12	62	-	28	4	232
Depreciation expense	(61)	(52)	(5)	(37)	-	(12)	-	(167)
Balance as at 30 June 2013 / 1 July 2013	**(721)**	**(143)**	**(89)**	**(216)**	**-**	**(276)**	**(78)**	**(1,523)**
Disposals	10	18	21	17	-	18	-	84
Depreciation expense	(88)	(44)	(3)	(38)	-	(4)	-	(177)
Balance as at 30 June 2014	**(799)**	**(169)**	**(71)**	**(237)**	**-**	**(262)**	**(78)**	**(1,616)**
Net book value								
As at 30 June 2013	183	171	3	134	-	9	-	500
As at 30 June 2014	**121**	**114**	**9**	**158**	**-**	**4**	**-**	**406**

8. Goodwill

	Group		Parent Company	
	2014	**2013**	**2014**	**2013**
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross carrying amount				
Balance as at 1 July	10,007	10,198	3,239	3,239
Effects of foreign currency exchange differences	-	-	-	-
Plus goodwill on acquisition in New Zealand	-	-	500	-
Less goodwill on disposal in Australia	-	(191)	-	-
Balance as at 30 June	**10,007**	**10,007**	**3,739**	**3,239**
Accumulated impairment losses				
Balance as at 1 July	(8,859)	(7,459)	(3,080)	(3,080)
Impairment loss for year	-	(1,400)	-	-
Balance as at 30 June	**(8,859)**	**(8,859)**	**(3,080)**	**(3,080)**
Net book value as at 1 July	1,148	2,739	159	159
Net book value as at 30 June	**1,148**	**1,148**	**659**	**159**

Impairment testing for cash generating units containing goodwill:
For the purpose of impairment testing, goodwill is allocated to the Group's cash generating units which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. Due to the nature and size of the Company the cash generating unit is assumed to be the Company in total.

The fair value of each cash generating unit was determined based on a DCF multiple, this was then compared to the carrying amount of each cash generating unit. It was determined that $Nil (2013: $1.4 million) impairment losses for the reporting period should be recognised.

Fair value was based on the following key assumptions:

- cash flows were projected based on a three year business plan as approved by the Board of Directors.
- the weighted average cost of capital was determined with reference to comparable entities.

9. Intangible Assets (Finite)

The Group owns and operates its own proprietary software supporting the operations of the business. An example of this type of software is the QIVS platform which is integral to many of it's operational processes.

The fair value of the intangible assets is approximately equal to their carrying amount. In the year ended 30 June 2014 for the Company and Group there were no:

- impairment losses recognised or reversed in the current period.
- borrowing costs capitalised.
- restriction in title relating to intangible assets or items pledged as security for liabilities.

The following schedule shows the movements of intangible assets for the year ended 30 June 2014. Table (a) shows the movements for the Group and table (b) shows the movements for the Parent Company.

(a) Movements in Intangible Assets for the Group

	Computer Software	QIVS	WIP	Total
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross carrying amount				
Balance as at 1 July 2012	3,491	5,913	144	9,548
Additions	768	136	107	1,011
Disposals	(152)	-	(144)	(296)
Balance as at 30 June 2013 / 1 July 2013	**4,107**	**6,049**	**107**	**10,263**
Additions	143	91	75	309
Disposals	-	-	(107)	(107)
Balance as at 30 June 2014	**4,250**	**6,140**	**75**	**10,465**
Accumulated amortisation and impairment losses				
Balance as at 1 July 2012	(2,969)	(5,288)	-	(8,257)
Disposals/adjustments	118	(18)	-	100
Amortisation	(484)	(298)	-	(782)
Balance as at 30 June 2013 / 1 July 2013	**(3,335)**	**(5,604)**	**-**	**(8,939)**
Disposals/adjustments	(23)	70	-	47
Amortisation	(381)	(231)	-	(612)
Balance as at 30 June 2014	**(3,739)**	**(5,765)**	**-**	**(9,504)**
Net book value				
As at 30 June 2013	772	445	107	1,324
As at 30 June 2014	**511**	**375**	**75**	**961**

(b) Movements in Intangible Assets for the Parent Company

	Computer Software	QIVS	WIP	Total
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Gross carrying amount				
Balance as at 1 July 2012	2,395	5,913	144	8,452
Additions	763	136	107	1,006
Disposals	(14)	-	(144)	(158)
Balance as at 30 June 2013 / 1 July 2013	**3,144**	**6,049**	**107**	**9,300**
Additions	114	91	75	280
Disposals	-	-	(107)	(107)
Balance as at 30 June 2014	**3,258**	**6,140**	**75**	**9,473**
Accumulated amortisation and impairment losses				
Balance as at 1 July 2012	(2,203)	(5,237)	-	(7,440)
Disposals/Adjustments	(15)	(18)	-	(33)
Amortisation	(246)	(298)	-	(544)
Balance as at 30 June 2013 / 1 July 2013	**(2,464)**	**(5,553)**	**-**	**(8,017)**
Disposals/Adjustments	30	19	-	49
Amortisation	(341)	(231)	-	(572)
Balance as at 30 June 2014	**(2,775)**	**(5,765)**	**-**	**(8,540)**
Net book value				
As at 30 June 2013	680	496	107	1,283
As at 30 June 2014	**483**	**375**	**75**	**933**

The Company has reviewed the value of the QIVS database in accordance with the impairment test and as the database supports operational business processes, its value is estimated to be greater than the book value. The Company believes that the database holds its value on a going concern basis as revenue generating capacity continues.

WIP in the table above relates to significant items purchased or committed to at balance date for projects being undertaken. They will be allocated to specific capital items in QIVS or software on completion. All items included in WIP are for externally generated items.

10. Subsidiary and Joint Venture Companies

Quotable Value Limited has 3 subsidiary companies and 1 joint venture company (2013: 3 subsidiaries, 1 joint venture company).

Name of Company	Percentage of Holding at balance 2014	2013	Principal Activities	Balance Date
Subsidiaries				
Darroch Limited	100	100	Property Valuation and Administration	30 June
New Zealand Valuation Limited	100	100	Name protection and investment Company holding a 45% share of PropertyInsight Joint Venture. PropertyInsight Joint Venture was disestablished on 28 June 2013.	30 June
Quotable Value Australia Pty Limited (unaudited and incorporated)	100	100	Property Valuation	30 June
Joint venture company				
CoreLogic NZ Limited (formerly PropertyIQ NZ Limited)	40	50	Sale of Online Data Information	31 December

Country of Incorporation

- CoreLogic NZ Limited (formerly PropertyIQ NZ Limited), Darroch Limited, and New Zealand Valuation Limited were all incorporated in New Zealand.
- Quotable Value Australia Pty Limited was incorporated in New South Wales, Australia.

The following schedule summarises the CoreLogic NZ Limited joint venture performance and position. This summary represents the gross amounts. The PropertyInsight joint venture ceased on 28 June 2013.

		2014	2013
		$NZ'000	$NZ'000
(a)	**Dividends received from CoreLogic NZ Limited**	-	846
(b)	**Summarised financial information for CoreLogic NZ Limited**		
(i)	Current assets	6,237	2,579
(ii)	Non-current assets	44,409	28,467
(iii)	Current liabilities	(7,251)	(3,421)
(iv)	Non-current liabilities	(14,107)	(746)
(v)	Revenue	(22,498)	(13,909)
(vi)	Profit or loss from continuing operations	(2,409)	(2,655)
(vii)	Total comprehensive income	(2,409)	(2,655)
Other material disclosures of CoreLogic NZ Limited			
(a)	Cash and cash equivalents	3,190	515
(b)	Current financial liabilities (excluding trade and other payables and provisions) included in (b)(iii)	2,625	-
(c)	Non-current financial liabilities (excluding trade and other payables and provisions) included in (b)(iv)	11,996	-
(d)	Depreciation and amortisation	2,258	600
(e)	Interest income	11	52
(f)	Interest expense	361	4
(g)	Income tax expense or income	1,086	1,381

11. Investment In Subsidiary Companies

	Parent Company	
	2014	2013
	$NZ'000	$NZ'000
Opening investment - at cost	**7,847**	**7,847**
Less		
Accumulated impairment of investment	5,047	5,047
Repayment of share capital	707	-
Closing investment revalued	**2,093**	**2,800**

In a review of investments in subsidiary companies it was noted that a prior year adjustment was required in the parent company for impairments undertaken in the subsidiary company. The prior year adjustment has no effect on the Group position.

There were no further investments into subsidiary companies or further business purchases during the financial year under review. Egan Australasia Pty Limited was disposed of effective 3 September 2012.

12. Investment in Joint Venture Company

		Group		Parent Company	
		2014	2013	2014	2013
		$NZ'000	$NZ'000	$NZ'000	$NZ'000
Balance at beginning of year - capital		13,345	12,872	10,946	10,946
Less: part sale of investment		2,729	-	2,189	-
		10,616	**12,872**	**8,757**	**10,946**
Plus:	Investment from related party Company	-	-	-	-
	PropertyInsight joint venture wound up	-	(41)	-	-
	Dividends	-	(846)	-	-
	Share of profits in jointly controlled entities	1,100	1,360	-	-
		11,716	**13,345**	**8,757**	**10,946**

As at 30 June 2014, Quotable Value Limited has a 40% (2013:50%) share holding in CoreLogic NZ Limited (formerly PropertyIQ NZ Limited). Quotable Value Limited purchased 50% of the Company shares for $10,945,840 on 2 April 2008. On 2 September 2013 Quotable Value Limited sold 10% share of its investment in the company for $3,700,000.

The balance date of CoreLogic NZ Limited has been changed to 31 December (2013: 30 June)

Quotable Value Limited has accounted for the investment in CoreLogic NZ Limited using the equity method.

13. Related Party Information

Quotable Value Limited and Group are State-Owned Enterprise entities in terms of the State-Owned Enterprises Act 1986.

(a) Related Party Transactions with the Ultimate Shareholder of the Parent

In conducting its activities, Quotable Value Limited and Group is required to pay various taxes and levies (such as GST, PAYE, FBT and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies is based on the standard terms and conditions that apply to all tax and levy payers.

Quotable Value Limited and Group also purchases goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown. Quotable Value Limited and Group also provides goods and services to entities controlled, significantly influenced, or jointly controlled by the Crown. These services include provision of property valuations, supply of data and information as an arms length transaction. Details of significant transactions are listed below:

Group	2014		2013	
	$NZ Received	$NZ Paid	$NZ Received	$NZ Paid
Significant transactions:				
LINZ	2,562,113	290,280	1,822,541	289,806
MBIE	337,551	-	586,343	-
MOE	1,304,466	-	1,220,568	-
NZTA	1,392,727	-	2,178,116	-
ACC	-	39,104	-	35,910
Housing New Zealand	350,691	-	421,832	-
NZ Post	5,552	193,699	17,197	164,899
Landcorp	166,186	-	-	-
All others	909,964	46,276	1,399,520	119,617
	7,029,250	**569,359**	**7,646,117**	**610,232**

Parent	2014		2013	
	$NZ Received	$NZ Paid	$NZ Received	$NZ Paid
Significant transactions:				
LINZ	1,260,422	92,006	-	97,529
MBIE	6,112	-	-	-
MOE	7,011	-	-	-
NZTA	44,698	-	69,186	-
ACC	-	39,104	-	35,910
Housing New Zealand	350,691	-	421,832	-
NZ Post	5,552	193,699	17,197	164,899
Landcorp	166,186	-	-	-
All others	166,851	4,901	67,306	92,456
	2,007,523	**329,710**	**575,521**	**390,794**

(b) Related Party Transactions with the Parent Shareholder

	Group		Parent Company	
	2014	2013	2014	2013
Financial arrangements between related parties	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Loans to related party				
Darroch Limited	-	-	140	-
	-	**-**	**140**	**-**
Loans from related party				
Darroch Limited	-	-	-	19
Quotable Value Australia Pty Limited	-	-	-	510
New Zealand Valuation Limited	-	-	-	128
	-	**-**	**-**	**657**
Interest received from Darroch Limited	-	-	5	16

Loans from Quotable Value Limited to Darroch Limited incur a daily interest charge of Quotable Value Limited's total cost of borrowing plus 2%. Both loans to and from Quotable Value Limited are repayable on demand.

Short term advances to CoreLogic NZ Limited joint venture partners bear interest at 2% above the 90 day bill rate. As at June 2014 these loans were paid in full (2013: $Nil)

Loans between other related party companies are interest free and repayable on demand.

(c) Related Party Transactions with Entities Related to Key Management Personnel and Directors

		2014	2013
		$NZ	$NZ
2 Degrees		-	35,380
Livestock Improvement Corporation	Receivable	1,000	-
Duncan Cotterill - valuation	Receivable	2,498	3,923
Duncan Cotterill - legal services	Purchases	10,903	22,076

All other transactions between entities and directors within the group were on an arm's length basis both at normal market prices and on normal commercial terms. There are no guarantees to or from any related parties.

(d) Balances Arising from Sales/Purchases of Goods and Services of Related Parties

	2014	2013
	$NZ	$NZ
Payables to related parties		
Darroch Limited	5,141	10,054
CoreLogic NZ Limited	8,056	-
Receivables from related parties (Note 6)		
Darroch Limited	56,960	14,319
CoreLogic Limited	201,244	67,000
Purchases of services		
Darroch Limited	72,530	186,440
CoreLogic Limited	95,670	7,953
Sales of services		
Darroch Limited	1,157,169	1,564,885
Quotable Value Australia Pty Limited - management fees	66,353	74,989
CoreLogic NZ Limited	2,486,768	853,438
Transactions between related parties not including Quotable Value Limited		
CoreLogic NZ Limited (formerly PropertyIQ Limited) sales to Darroch Limited (Joint Venture company owned 40% (2013: 50%) by the Parent)	10,520	-
CoreLogic NZ Limited (formerly PropertyIQ Limited) purchases from Darroch Limited (Joint Venture company owned 40% (2013:50%) by the Parent)	51,187	4,373

Purchases to related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash. There are no guarantees provided or received for any related party receivable or payable. There is no provision held against receivables from related parties (2013: Nil).

At balance date, the Company has not made any allowance for impairment losses relating to amounts owed by related parties as the payment history has been excellent. An impairment assessment is undertaken each year by examining the financial position of the related party and the market in which the related party operates to determine whether there is objective evidence that a related party receivable is impaired. When such objective evidence exits, the Company recognises an allowance for the impairment loss.

(e) Other Related Party Transactions

	2014	2013
	$NZ	$NZ
Tax losses transferred from Darroch Limited	-	1,564,124
Dividends received		
Quotable Value Australia Pty Limited	541,000	-
NZ Valuation Limited	114,000	-

(f) Compensation of Key Management Personnel

Key management personnel include all board members, the Chief Executive and the 4 (2013: 5) other members of the management team. Compensation paid to these members is as follows:

	2014	2013
	$NZ'000	$NZ'000
Salaries and short-term benefits	1,481	1,751
Post-employment benefits	24	-
Other long-term benefits	-	-
Termination benefits	-	76
Total key management personnel compensation	**1,505**	**1,827**

14. Borrowings

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Non-current				
Westpac New Zealand Money Market	3,000	1,100	3,000	1,100
	3,000	**1,100**	**3,000**	**1,100**

The bank overdraft is made available only subject to the terms of an unsecured negative pledge. The facility available totals $1,000,000. (2013: $1,000,000). No overdraft is drawn down on balance date.

The interest rate for the Westpac New Zealand Money Market is determined at the time of borrowing. The year end rate was 4.70% per annum (2013: 3.95% per annum). The average interest rate for the year was 4.12% per annum (2013: 4.00% per annum).

Borrowings consists of the bank term loan made available only subject to the terms of an unsecured negative pledge. The facility currently available totals $4,500,000 (2013: $4,500,000). There are no fixed repayment terms. Expires June 2016.

Of the available facility $3,000,000 (2013: $1,100,000) has been used at balance date and it is classed as a non-current borrowings.

A commitment fee of 0.05% per month is paid on the total facility of $5,500,000. (2013: $5,500,000)

At balance date there is a business mastercard facility of $71,500 (2013: $71,500) of which $8,653 (2013: $4,113) is drawn down.

No banking covenants have been breached.

The fair value of the Westpac New Zealand Money Market is approximately equal to their carrying amount.

15. Financial Instruments

Interest rate risk management
The Parent Company and Group are exposed to interest rate risk as the entities borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Sensitivity analysis
As at 30 June 2014, if the 90 day bank bill rate had been 50 basis points higher or lower, with all other variables held constant, the profit (loss) for the year could have been adjusted $4,750 (2013: $8,450).

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company and the Group operates in Australia which requires the entities to enter into transactions denominated in Australian dollars. The Company and the Group holds small balances of Australian dollars at call with international banks. As a result of these activities, exposure to currency risk arises.

Sensitivity analysis
As at 30 June 2014, if the NZ dollar had weakened / strengthened by 5% against the Australian dollar with all other variables held constant, the profit (loss) for the year would have remained constant as profits remain in the country of origin. (2013:$nil)

Credit risk
Credit risk is the risk that a counterparty will default on its contractual obligation to the Company and the Group, resulting in financial loss to the Company and the Group. The Company and the Group has adopted a policy of only dealing with creditworthy counterparties.

Quotable Value Limited and Group's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents (Note 5), and net trade and other receivables (Note 6).

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables. The Company and the Group has no significant concentration of credit risk, as its credit customers are relatively small.

Quotable Value Limited and Group's only invests funds with registered banks with specified Standard and Poor's credit ratings of AA- and above.

Liquidity risk
Liquidity risk is the risk that the Company and the Group will encounter difficulty meeting their short-term commitments as they fall due. The Company and Group manages liquidity risk by maintaining sufficient cash by preparing monthly cash flow reports and budgets. The debtors collection process and cash position is monitored daily.

The carrying amount of financial assets and liabilities are as follows:

	Group		Parent Company	
	2014	**2013**	**2014**	**2013**
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Loans and receivables				
Cash and cash equivalents	1,781	1,561	518	1,039
Trade and other receivables (excluding prepayments)	7,562	5,490	5,267	2,801
Investments	-	-	-	-
Total loans and receivables	**9,343**	**7,051**	**5,785**	**3,840**
Financial Liabilities at amortised cost				
Creditors and other payables	2,247	1,548	1,689	657
Borrowings - secured loans	3,000	1,100	3,000	1,100
	5,247	**2,648**	**4,689**	**1,757**

Contractual cash flow, which equates to the carrying amount, for all the financial liabilities will be payable within 12 months.

16. Trade and Other Payables

	Group		Parent Company	
	2014	**2013**	**2014**	**2013**
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Trade payables	363	576	269	219
Income in advance	673	-	673	-
Accruals	498	508	251	244
Goods and services tax (GST) payable	713	464	496	194
	2,247	**1,548**	**1,689**	**657**

The average credit period on invoices is 30 days. The Group have financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

17. Employment Entitlements

	Group 2014 $NZ'000	Group 2013 $NZ'000	Parent Company 2014 $NZ'000	Parent Company 2013 $NZ'000
Employment entitlements consists of:				
Holiday pay	1,086	1,113	705	645
Accrued salaries and wages	2,930	2,464	2,069	1,400
Other employee entitlements	215	273	59	84
	4,231	**3,850**	**2,833**	**2,129**
Current employment entitlements				
Within one year	4,016	3,577	2,774	2,045
Non-current employment entitlements				
After one year	215	273	59	84
	4,231	**3,850**	**2,833**	**2,129**

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using discount rates prescribed by Treasury and calculated as at 30 June 2014. The salary inflation factor has been determined after considering historical salary inflation patterns and after obtaining advice from an independent actuary. A salary inflation factor of 3% was used.

18. Provisions

Movements in provisions for the Group	**Insurance Excess** $NZ'000	**Other** $NZ'000	**Total** $NZ'000
Gross carrying amount			
Balance as at 1 July 2012	2,268	137	2,405
Amount provided	-	105	105
Amount utilised	(19)	(19)	(38)
Balance as at 30 June 2013 / 1 July 2013	**2,249**	**223**	**2,472**
Amount provided	-	-	-
Amount utilised	(350)	(114)	(464)
Balance as at 30 June 2014	**1,899**	**109**	**2,008**

Movements in provisions for the Parent	**Insurance Excess** $NZ'000	**Other** $NZ'000	**Total** $NZ'000
Gross carrying amount			
Balance as at 1 July 2012	2,262	24	2,286
Amount provided	-	-	-
Amount utilised	(13)	-	(13)
Balance as at 30 June 2013 / 1 July 2013	**2,249**	**24**	**2,273**
Amount provided	-	-	-
Amount utilised	(350)	-	(350)
Balance as at 30 June 2014	**1,899**	**24**	**1,923**

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Current provisions				
Within one year - insurance	899	1,249	899	1,249
Within one year - other	109	134	24	24
Non-current provisions				
After one year - insurance	1,000	1,000	1,000	1,000
After one year - other	-	89	-	-
	2,008	**2,472**	**1,923**	**2,273**

In many cases, Quotable Value Limited and Group has the option to renew leases, which impacts on the timing of expected cash outflows to make good the premises. Assuming this is not exercised the cash-flows associated with this occur in 2015.

The Company is subject to professional indemnity claims in the course of its business. The level of claims has increased in the industry in the current economic environment and accordingly the Company has provided for these. Determination of the provision is subjective, with the settlement of claims being dependent on a number of factors including whether or not the claimant suffered loss.

19. Reserves

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Components of other comprehensive income				
Foreign currency translation reserve				
Balance as at 1 July	286	494	-	-
Arising on translation of independent foreign operations	(47)	(208)	-	-
Balance as at 30 June	**239**	**286**	**-**	**-**

Exchange differences relating to the translation of Australian dollars being the financial currency of the consolidated Group's foreign controlled entities in Australia, into New Zealand dollars are brought to account by entries made directly to the foreign currency translation reserve.

20. Retained Earnings and Dividends

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Balance as at 1 July	12,294	17,909	10,317	17,242
Profit for the year and attributable to the equity holders	5,222	345	4,393	(965)
Dividends paid during the year - normal	(1,120)	(3,000)	(1,120)	(3,000)
Dividends paid during the year - special	(7,200)	(2,960)	(7,200)	(2,960)
Balance as at 30 June	**9,196**	**12,294**	**6,390**	**10,317**

21. Reconciliation of Profit for the Period to Net Cash Flows from Operating Activities

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Profit for the period	5,222	345	4,393	(965)
Depreciation	282	245	177	167
Amortisation of intangible assets	612	782	572	544
Impairment of goodwill	-	1,400	-	-
Impairment of investment in subsidiary	-	-	-	3,100
Foreign exchange movement	(47)	-	-	-
Movement in provision for doubtful debts	32	(172)	4	-
Loss (gain) on sale of property, plant and equipment	39	-	41	-
Capital gain on sale of share in CoreLogic NZ Limited	(971)	-	(1,511)	-
Share of income from Joint Venture	(1,100)	(1,360)	-	-
Dividends received	-	-	(656)	(846)
Changes in net assets and liabilities:				
Decrease (increase) in receivables	(2,094)	1,686	(2,196)	243
Increase (decrease) in payables	388	(500)	666	(292)
Increase (decrease) in vendor loans	-	(107)	-	(107)
Increase (decrease) in provisions	(464)	67	(350)	(13)
Increase (decrease) in employee entitlements	381	(698)	598	(312)
Increase in GST payable	249	(144)	302	(68)
Increase (decrease) in tax payable	708	322	469	27
Net cash from operating activities	**3,237**	**1,866**	**2,509**	**1,478**

22. Contingent Liabilities

Bonds

The Group has performance bonds for contracts undertaken in Australia together with rental bonds on properties occupied. The table below details the values associated with the Group for these bonds:

	2014	2013
	$NZ'000	$NZ'000
Contract performance bonds	382	330
Rental bonds	661	655
Total bond value	**1,043**	**985**

Un-quantified claims

There are unquantifiable contingent claims not exceeding $1.8 million as at 30 June 2014 (2013: $4.8 million).

The Company is subject to professional indemnity claims in the course of its business. The level of claims has increased in the industry in the current economic environment and accordingly the Company has provided for these. In addition, insurance cover for these claims is less certain. Determination of the potential liability is subjective, with the settlement of claims being dependent on a number of factors including whether or not the claimant actually suffered loss. Management has used its judgement in determining the expected cash outflows but considered that to provide further information would be prejudicial to the Company.

Quantified claims

There are no quantified claims as at 30 June 2014 (2013: Nil).

23. Contingent Assets

There are no contingent assets as at 30 June 2014 (2013: $Nil)

24. Commitments Statement

	Group		Parent Company	
	2014	2013	2014	2013
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
Property leases payable				
Non-cancellable operating lease commitments, payable:				
Not later than one year	781	1,282	523	657
Later than one year and not later than five years	673	913	523	813
Later than five years	-	22	-	22
Total commitments	**1,454**	**2,217**	**1,046**	**1,492**
Property leases receivable				
Non-cancellable operating lease commitments, receivable:				
Not later than one year	-	56	-	-
Later than one year and not later than five years	-	14	-	-
Later than five years	-	-	-	-
Total commitments	**-**	**70**	**-**	**-**

Quotable Value Limited and Group has lease commitments primarily in relation to office rents, with smaller amounts outstanding for vehicle leases and office equipment leases.

Most properties have the option of extending leases although these are reviewed at the time of renewal for necessity and continuation.

There are no restrictions placed on Quotable Value Limited and Group by its leasing arrangements.

25. Capital Management

Quotable Value Limited and Group capital is equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

Quotable Value Limited and Group is subject to the financial management and accountability of the State-Owned Enterprises Act 1986.

Quotable Value Limited and Group manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments and general financial dealings to ensure Quotable Value Limited and Group achieves its objectives and purpose whilst remaining a going concern.

26. Subsequent Events

The company has entered non-binding discussions for the sale of a subsidiary company.

Statement of Key Performance Indicators

For the year ended 30 June 2014

Financial Performance Indicators

The Board agreed the following financial targets with the Minister at the beginning of the year:

Specified financial performance	Group Achievement	SCI Target
Surplus after tax, impairment and amortisation before dividends ($000)	$5,175	$2,739
Surplus after taxation and impairment/revenue	11.90%	6.34%
EBIT/tangible assets	27.32%	17.86%
Interest cover (EBITDA/interest)	187.90	31.43
Shareholder return	11.6%	17.16%
Dividend yield	18.70%	3.18%
Dividend payout	196.60%	107.50%
Operating margin	16.82%	11.84%
Current ratio	141.15%	144.74%
Term debt/term debt + equity ratio (maximum 30%)	7.99%	4.20%
Return on equity	33.2%	18.20%
Return on equity adjusted for IFRS fair value movements and asset revaluations	33.2%	18.20%
Return on capital employed (EBIT/Ave debt + equity)	39.8%	23.56%

Non Financial Performance Indicators

The Board agreed the following non financial targets with the Minister at the beginning of the year:

Specified Non Financial Performance	SCI Target	Group Achievement
Quotable Value customer net promoter score is improved year on year	Improve	Decrease
Employee engagement scores are improved year on year	Improve	Improve

Other non financial performance indicators for corporate social responsibility are:

	Target Savings	Achieved Savings
Power consumption	Reduce	Increase
Fuel consumption	Reduce	Increase

Statutory Information

For the year ended 30 June 2014

1. Directors' Remuneration

Directors of the Group during the year and remuneration and other benefits paid to the Directors by the Companies were $186,000 (Parent) (2013: $166,333) Sudsidiaries NZ$25,000 (2013: NZ$23,500) and JV's NZ$20,000 (2013: NZ$10,000).

Director	Period	Board	2014	2013
			$NZ'000	$NZ'000
William Osborne (CEO)	Full year	Quotable Value Australia Pty Ltd	NZ$0	NZ$0
	Last Year	Egan Australasia Pty Limited		
	Last Year	PropertyInsight Joint Venture		
	Full year	New Zealand Valuation Limited		
	Full year	Darroch Limited		
	Full year	CoreLogic NZ Limited		
Phil Lough (Chair)	Full year	Quotable Value Limited	NZ$46	NZ$46
(Appointed May 2009)	Last Year	Egan Australasia Pty Limited		NZ$1
	Full year	New Zealand Valuation Limited		
	Full year	Quotable Value Australia Pty Ltd	NZ$5	NZ$5
	Full year	Darroch Limited	NZ$10	NZ$10
Gary Traveller	Full year	Quotable Value Limited	NZ$23	NZ$23
(Appointed July 2009)	Full year	Darroch Limited	NZ$10	NZ$8
Raewyn Lovett (Deputy Chair)	Full year	Quotable Value Limited	NZ$25	NZ$21
(Appointed May 2011)				
Ian Holland	Full year	Quotable Value Limited	NZ$23	NZ$23
(Appointed May 2011)	Full year	CoreLogic NZ Limited	NZ$20	NZ$10
Roger Bridge	Full year	Quotable Value Limited	NZ$23	NZ$23
(Appointed May 2011)				
Andrew Crocker (CFO)	Full year	Darroch Limited	NZ$0	NZ$0
(Resigned March 2014)				
Jacquie Barker (COO)	Full year	Quotable Value Australia Pty Ltd	NZ$0	NZ$0
Ben Driller	Full year	Quotable Value Australia Pty Ltd	NZ$0	NZ$0
	Last Year	Egan Australasia Pty Limited		
Kim Wallace	Full year	Quotable Value Limited	NZ$23	NZ$23
(Appointed May 2012)				
Stephen Panckhurst	Full year	Quotable Value Limited	NZ$23	NZ$8
(Appointed March 2013)				

2. Employees' Remuneration

Remuneration and other benefits of $100,000 per annum or more received by employees in their capacity as employees were:

	Group		Parent	
	2014	2013	2014	2013
$100,000 - $109,999	9	11	6	7
$110,000 - $119,999	10	11	6	5
$120,000 - $129,999	6	6	4	3
$130,000 - $139,999	3	3	2	2
$140,000 - $149,999	3	8	-	1
$150,000 - $159,999	2	1	1	-
$160,000 - $169,999	1	1	-	-
$170,000 - $179,999	-	-	-	-
$180,000 - $189,999	-	1	-	1
$190,000 - $199,999	6	4	4	3
$200,000 - $209,999	-	2	-	1
$210,000 - $219,999	1	1	1	1
$220,000 - $229,999	-	1	-	-
$230,000 - $239,999	-	1	-	-
$240,000 - $249,999	1	2	1	1
$270,000 - $279,999	1	-	-	-
$290,000 - $299,999	1	-	-	-
$300,000 - $309,999	1	-	-	-
$320,000 - $329,999	1	-	1	-
$330,000 - $339,999	-	1	-	1
$500,000 - $509,999	1	-	1	-
$580,000 - $589,999	-	1	-	1

The chief executive's remuneration and benefits are in the $500,000 - $509,999 band. (2013: $580,000 - $589,999).

3. Interests Register

A directors' interests register is maintained by the Board as listed below:

Phil Lough	Chairman, Methven Limited
(Chair)	Deputy Chairman, Port Nelson Limited
	Director, Livestock Improvements Corporation
	Chair, Quotable Value Limited
	Director, New Zealand Valuation Limited
	Director, Quotable Value Australia Pty Ltd
	Director, Fisher & Paykel Appliances Holdings Limited

Gary Traveller	Chair, Apollo Pac Limited
	Director, T M Stud Limited
	Chair, Ply City Limited
	Director, GLT Advisory Limited (Resigned 17 March 2014)
	Director, KV Designs Limited
	Director, Quotable Value Limited
	Director, Suncourt Plaza Limited
	Director, Clever Hands Limited (resigned 15 July 2013)
	Director, Rave Events Management
	Chair, Crown Asset Management Limited
	Director, Mapcon Limited
	Trustee, NZ Patchwork and Quilting Charitable Trust
	Director, Pyramid Building Panels Limited (Appointed 21 July 2014)
	Director, Pyramid Panels Limited (Appointed 21 July 2014)
	Director, Mamaku 6 Limited (Appointed 21 July 2014)
	Director, Mamaku 7 Limited (Appointed 21 July 2014)
	Director, Mamaku 15 Limited (Appointed 21 July 2014)
	Director, Mamaku Holdings Limited (Appointed 21 July 2014)
Raewyn Lovett	Chair of Partners, Duncan Cotterill, Lawyers (resigned 30 August 2013)
(Deputy Chair)	Partner, Duncan Cotterill Lawyers
	Chair, Netball New Zealand (Resigned 15 April 2014)
	Director, Obex Medical Limited
	Director, Auckland Sport Establishment Board (Resigned 18 November 2013)
	Director, Trans Tasman Netball League (TTNL) (Resigned 18 November 2013)
	Chair, Auckland Sport
	Trustee, Christian Healthcare Trust
Ian Holland	Director, Dairy Investment Fund Limited
	Director, PropertyIQ NZ Limited (Resigned December 2013)
	Director, CoreLogic NZ Limited
Roger Bridge	Director, NZ Venture Investment Fund
	Director, NZ National Party
	Director, National Mortgage Underwriters Limited
	Managing Director, Oxbridge Limited
	Director, Allstor Self Storage Limited
	Director, Britannia Management Limited
	Director, Waterman Investments Limited
	Director, Allstor Self Storage (NZ) Limited
	Trustee, Christchurch Arts Festival
	Trustee, Canterbury Community Trust
	Trustee, ReStart the Heart Trust
	Director, Advisory Board of Morrison Social Infrastructure Fund
	Deputy Chair, Canterbury Community Trust
Kim Wallace	Director, Westland Milk Products Investments Ltd
	(NB: all of the following 100% wholly owned subsidiaries of Westland Co-operative Dairy Company Limited)
	Director, EasiYo Products (Aust) Limited
	Director, EasiYo Products (UK) Limited
	Director, EasiYo Products Limited (USA)

Stephen Panckhurst	Shareholder & Director, Resource Managers (NI) Limited (Resigned 16 June 2014)
	Shareholder & Director, Prestige Vehicle Importers Limited
	Director, Lewis Road Creamery Limited (Resigned 15 October 2013)
	Shareholder, Lewis Road Creamery Limited
	Chair, Ngati Manawa Developments Limited
	Financial adviser, Okere 1B 3C3 and Adjoining Blocks Incorporated (Resigned 16 June 2014)
	Financial adviser, Ruahine & Kuharua Incorporated (Resigned 16 June 2014)
	Financial adviser, Rotoma No 1 Incorporation (Resigned 16 June 2014)
	Financial adviser, Rotoiti 15 Land Trust (Resigned 16 June 2014)
	Financial adviser, Tautara Matawhaura Land Trust (Resigned 16 June 2014)
	Financial adviser, Private Health Care (NZ) Limited (Resigned 16 June 2014)
	Chair, Tauhara North No.2 Farming Limited
	Director, Tauhara North No.2 Farming Limited
	Chair, Ringa Matau Limited
	Director, Ringa Matau Limited
	Chair, Tahumatua Limited
	Director, Tahumatua Limited
	Chair, Murupara Motors Ngati Manawa Limited
	Director, Murupara Motors Ngati Manawa Limited
	Director, The Gravitas Group Limited
	Director, Thode Knife and Saw
	Director, Colorite Group (Resigned 16 June 2014)

The Board of Directors acknowledges that the Company and Group holds Directors and Officers liability insurance arranged through Marsh for up to NZ$20 Million limit of liability through Vero Liability Insurance (80%) and QBE (20%).

4. Donations

Donations made by the Company and Group during the year ended 30 June 2014 totalled $45 (2013: $35).

5. Actual Achievements

Ratio of consolidated shareholders' funds (equity) to total assets

The table below shows the ratio of consolidated shareholders' funds (equity) to total assets for the planning period:

	2014	2015	2016	2017
	$NZ'000	$NZ'000	$NZ'000	$NZ'000
	Actual	SCI 2015 - 2017		
Group position				
Consolidated shareholders' funds (equity)	14,035	18,923	20,336	22,084
Total assets	25,521	25,258	27,624	29,495
Ratio	54.99%	74.92%	73.62%	74.87%

Note that the consolidated shareholder funds have reduced as a result of special dividends being paid during the year of $7.2 million.

6. Changes in Business of Company

During the year ended 30 June 2014 there were no changes in the nature of business of the Company which includes the provision of property valuations, data and information.

Statement of Corporate Governance

For the year ended 30 June 2014

Financial Statements

The Directors of Quotable Value Limited (QVL) are responsible for preparing financial statements that give a true and fair view of the financial position of the Company as at the end of the financial year and the results of operations and cash flows for the year. The external auditors are responsible for expressing an opinion on the financial statements, based on their review and assessment of the conclusions drawn from evidence obtained in the course of the external audit.

The financial statements set out in this report have been prepared by management in accordance with generally accepted accounting practice. They are based on appropriate accounting policies which have been consistently applied and which are supported by reasonable judgements and estimates.

Board of Directors

The Board of Directors retains full and effective control over the Company, monitors executive management and ensures that decisions on material matters are in the hands of the Board. The Chair of the Board of Directors is Phil Lough.

The Company had 11 full Board meetings during the year. Most full Board meetings take place in either Wellington or Auckland. In conjunction with these meetings, the Board and executive management team usually meet twice a year to review the Company's strategy and progress.

Subsidiary Companies

Quotable Value Limited (QVL) has a 100%-owned operating subsidiary, Quotable Value Australia Pty Limited (QVA) incorporated in New South Wales, Australia. The Directors of QVA are Phil Lough (Chair of QVL), William Osborne (CEO of QVL), Jacquie Barker (COO of QV) and Australian resident company Director, Ben Driller.

QVL has a 100%-owned operating subsidiary, Darroch Limited incorporated in New Zealand. The Directors of Darroch Limited are Phil Lough (Chair of QVL), Gary Traveller (Director of QVL), William Osborne (CEO of QVL) and Andrew Crocker (former CFO of QVL, resigned 14 March 2014).

QVL has a 100%-owned subsidiary company New Zealand Valuation Limited (NZVL). The Directors of NZVL are Phil Lough (Chair of QVL) and William Osborne (CEO of QVL).

QVL has a 40% (2013:50%) share of CoreLogic NZ Limited (CLNZ) (formerly PropertyIQ NZ Limited). The Directors of CLNZ are Ian Holland (Director of QVL) and William Osborne (CEO of QVL).

Internal Control

To fulfil its responsibilities, management maintains adequate accounting records and has developed and continues to maintain an appropriate system of internal controls.

Directors acknowledge that they are responsible for the Company's system of internal financial control.

Internal financial controls implemented by management can provide only reasonable and not absolute assurance against material misstatement or loss.

The Directors constantly review the effectiveness of the system of internal financial control. No major breakdowns were identified during the year in the system of internal control.

After reviewing internal management financial reports and budgets the Directors believe that the Company and the Group will continue to be a going concern in the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Committees of the Board

The Company had two standing committees during the year. They are:

1. The Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee comprises Gary Traveller (Chair), Kim Wallace and Ian Holland. The purpose of this committee is to oversee the financial management, external and internal audit functions and the overall risk management of the Company. The committee usually meets four times per year.

2. The Remuneration Committee

The Remuneration Committee comprised Raewyn Lovett (Chair) and Roger Bridge. It takes responsibility for the remuneration policy, executive remuneration and in consultation with the Board takes responsibility for the Chief Executive's performance review.

Director and Board Appraisal

The Board has a policy of formally evaluating its own performance, and that of the individual Directors, annually.

Director Development

The Board believes it is in the best interest of the Company to ensure that Directors will remain current with best corporate governance practice. The Company budgets a small amount each year to support the continued professional development of Directors.

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

Independent Auditors Report

To the readers of Quotable Value Limited and Group's financial statements for the year ended 30 June 2014

The Auditor-General is the auditor of Quotable Value Limited (the Company) and Group. The Auditor-General has appointed me, Stephen Lucy, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Company and Group, on her behalf.

We have audited the financial statements of the Company and Group on pages 4 to 36 that comprise the Statement of Financial Position as at 30 June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date and the Notes to the Financial Statements that include accounting policies and other explanatory information.

Opinion

Financial statements

In our opinion the financial statements of the Company and Group on pages 4 to 36:

- comply with generally accepted accounting practice in New Zealand;
- comply with International Financial Reporting Standards; and
- give a true and fair view of the Company and Group's:
  - financial position as at 30 June 2014; and
  - financial performance and cash flows for the year ended on that date.

Other legal requirements

In accordance with the Financial Reporting Act 1993 we report that, in our opinion, proper accounting records have been kept by the Company and Group as far as appears from an examination of those records.

Our audit was completed on 29 September 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Company and Group's financial statements that give a true and fair view of the matters to which they relate. We consider internal control 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 Company and Group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Directors;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also we did not evaluate the security and controls over the electronic publication of the financial statements.

In accordance with the Financial Reporting Act 1993, we report that we have obtained all the information and explanations we have required. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board of Directors

The Board of Directors is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of the Company and Group's financial position, financial performance and cash flows.

The Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for the publication of the financial statements, whether in printed or electronic form.

The Board of Directors' responsibilities arise from the State-Owned Enterprises Act 1986 and the Financial Reporting Act 1993.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 19(1) of the State-Owned Enterprises Act 1986.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the company or any of its subsidiaries.

S B Lucy
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Directory

For the year ended 30 June 2014

Phil Lough	Director (Chair)
Raewyn Lovett	Director (Deputy Chair)
Gary Traveller	Director
Ian Holland	Director
Roger Bridge	Director
Kim Wallace	Director
Stephen Panckhurst	Director

Bill Osborne	Chief Executive
Jacquie Barker	Chief Operating Officer
Greg Cate	Chief Financial Officer
John Baillie	General Manager Human Resources and Corporate Services

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Auditor	Audit New Zealand, Wellington New Zealand on behalf of the Controller and Auditor-General
Bankers	Westpac Banking Corporation
Solicitors	DLA Phillips Fox
Insurance Brokers	Marsh Limited

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Quotable Value Limited