

SOLARSHARE COMMUNITY
ENERGY LTD
ACN: 600 571 220



SolarShare Community Energy Ltd

ACN: 600 571 220

Annual Report

For the Period ending 23 December 2015

SOLARSHARE COMMUNITY
ENERGY LTD
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Corporate Governance Statement

The objective of the Board of SolarShare Community Energy Ltd is to create and deliver long-term shareholder value through fostering a connection between our shareholders and their energy supply through providing them with investment opportunities in renewable energy projects with a financial return.

The Board considers there to be an unambiguous and positive relationship between the creation and delivery of long-term shareholder value and high-quality corporate governance. Accordingly, in pursuing its objective, the Board has committed to corporate governance arrangements that strive to foster the values of integrity, respect, trust and openness amongst and between the Board members, management, investors and members, employees, customers and suppliers.

SolarShare Community Energy Ltd operates as a single economic entity with a unified Board and management.

SolarShare Community Energy Ltd is not listed on the Australian Securities Exchange (ASX). Accordingly, unless stated otherwise in this document, the Board's corporate governance arrangements comply with the current standards of best practice for the entire period ended 23 December 2015.

Board Composition

The Board comprises 5 directors, all of whom (including the Chair) are non-executive. The names of the non-executive directors are:

Mr Brian Acworth
Mr Nicolas Fejer
Dr Michelle McCann
Mr Robert Henman
Mr Robert Clark

An independent director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgment. For a director to be considered independent, they must meet all of the following materiality thresholds:

- not hold, either directly or indirectly through a related person or entity, more than 10% of the company's outstanding shares;
- not benefit, either directly or through a related person or entity, from any sales to or purchases from the company or any of its related entities; and
- ☐ derive no income, either directly or indirectly through a related person or entity, from a contract with the company or any of its related entities.

A complete listing of the Board directors for the period ended 23 December 2015, along with their biographical details, is provided in the director's report.

No directors have retired from the SolarShare Board.

The Board considers that the current Board composition promotes both the generation of shareholder value and effective governance.

The Board also considers that the current Board composition reflects an appropriate balance of skills, expertise and experience to achieve its objective of creating and delivering long-term shareholder value. The range of business activities the company is involved in necessitates the Board having a corresponding range of skills,



experience and expertise. As solar energy generation and construction constitute a significant part of the company's overall operations, directors are required to have sound knowledge and understanding of these industries. Nevertheless, directors need to have a strong understanding of a range of other areas, including finance, contract law and occupational health and safety requirements.

Notwithstanding that the Board considers its current composition to be appropriate, it has in place an active program for assessing whether individual directors and the Board as a whole have the skills and knowledge necessary to discharge their responsibilities in accordance with the Board's governance arrangements. The board also has in place a recruitment program to continue to round out the skills represented on the board. Details of the skills, expertise and experience of each director are provided in the directors' report.

Ethical Standards

The Board is committed to its core governance values of integrity, respect, trust and openness amongst and between the Board members, management, investors and members, employees, customers and suppliers.

The Company expects that all directors, management and employees, to at all times:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with both the letter and spirit of the law;
- encourage the reporting and investigation of unlawful and unethical behaviour; and
- Directors are obliged to be independent in judgment and ensure all reasonable steps are taken to ensure that the Board's core governance values are not compromised in any decision the Board makes.

Diversity

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent.

Board Committees

To facilitate achieving its objectives, the Board has established two sub-committees comprising Board members – the Remuneration Committee, and the Finance, Audit and Risk committee.

Remuneration Committee

Due to the limitations on remuneration for the company for the financial period ending 23 December 2015, no requirements existed for a remuneration committee.

Finance, Audit and Risk Committee

The role of the finance, audit and risk committee is to assist the Board in monitoring the processes and controls associated with the financial reporting function that ensure the integrity of the company's financial statements. Specifically, the audit committee oversees:

- ☐ Performance of the company's various business activities;
- ☐ Compliance by management with limits and benchmarks determined by the Board; and
- ☐ Compliance by management with the Board's formal policies and procedures regarding ASX Listing Rule disclosure requirements.



- ☐ The appointment, independence, performance and remuneration of the external auditor;
- ☐ The integrity of the audit process;
- ☐ The effectiveness of the internal controls; and
- ☐ Compliance with applicable regulatory requirements.

The finance, audit and risk committee is a subset of the directors, all of whom are non-executive/independent directors. Consistent with the ASX's Corporate Governance Principles and Recommendations, the Chair of the Finance, Audit and Risk committee is independent and does not hold the position of Chair of the Board.

Performance Evaluation

The Board assesses its performance, the performance of individual directors and the performance of its committees annually through a combination of internal peer review and facilitated evaluation processes. Directors' individual performances are also evaluated each year against their performance plans, which are reviewed annually. The Board also formally reviews its governance arrangements on a similar basis annually. Further details regarding the Board's remuneration policy for non-executive/independent directors is provided in the remuneration report.

The performance of key management personnel (KMP) is reviewed on a biannual basis by the Chair, with the assistance of the remuneration and finance and audit and risk committees.

The performance of each member of the KMP is assessed against their individual performance plans, which comprise target performance indicators. Performance indicators for each KMP are set annually in consultation with the KMP. Consideration is also given to the contribution each member of the KMP makes to Board meetings. Further details regarding the Board's remuneration policy for KMP is provided in the remuneration report.

Board Roles and Responsibilities

The Board is accountable to the shareholders for creating and delivering shareholder value through governance of the company's business activities. The discharge of these responsibilities is facilitated by the Board delivering to shareholders timely and balanced disclosures about the company's performance.

The Board is first and foremost accountable to provide value to its shareholders through delivery of timely and balanced disclosures.

The Board has developed a Governance Charter and Terms of Reference for the Board. This document details a range of board-related processes, including the practices and processes in relation to matters reserved for the Board's consideration and decision-making, and specifies the level of authorisation provided to other KMP. The Board is ultimately responsible for ensuring its actions are in accordance with key corporate governance principles.

The Board must comprise directors with a range and mix of attributes appropriate for achieving its objectives. To ensure this, the board performs the below activities routinely:

- ☐ reviewing the skills and expertise of directors and identifying potential deficiencies;
- ☐ identifying suitable candidates for the Board,
- ☐ overseeing Board and director reviews; and
- ☐ establishing succession planning arrangements.

The Board has delegated to the Project Director, Lawrence McIntosh, all authorities appropriate and necessary to achieve the Board's objective to create and deliver long-term shareholder value. A complete description of the functions reserved to the Board and those it has delegated to the Project Director is available from the Board



Delegation Document. The Document also provides guidance on the relationship between the Board and the Project Director.

Notwithstanding these delegations of authority by the Board, the Project Director remains accountable to the Board for the authority delegated to her/him and for the performance of the company's business activities at all times. As noted above, the Board regularly monitors the decisions and actions of the Project Director as well as the performance of the company's business activities.

A key plank of the Board Governance Charter is the requirement for all directors to demonstrate honesty, integrity, and preparedness to critically evaluate all aspects of the company's operations. Inherent in all of this is the expectation that directors:

- ☐ commit the necessary time and energy to fulfil their responsibilities as directors; and
- ☐ place the interests of the company before their personal interests.

The Chair is responsible for ensuring individual directors, the Board as a whole and KMP comply with both the letter and spirit of the Board's governance arrangements. The Chair discharges their responsibilities in a number of ways, primarily through:

- ☐ setting agendas in collaboration with other directors and KMP;
- ☐ encouraging critical evaluation and debate amongst directors;
- ☐ managing Board meetings to ensure that all critical matters are given sufficient attention; and
- ☐ communicating with stakeholders as and when required.

Independent directors have the right to seek independent professional advice on any matter connected with the discharge of their responsibilities as directors at the company's expense. Written approval must be obtained from the Chair prior to incurring any expense on behalf of the company.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual and interim financial statements. The Board actively encourages shareholders to attend and participate in the Annual General Meetings of SolarShare Community Energy Ltd, to lodge questions to be responded by the Board and/or the Project Director, and are able to appoint proxies.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to creating and delivering long-term shareholder value.

The main risks that could negatively impact on the performance of the company's business activities include:

- Inability to raise suitable capital to initiate projects.
- Execution risk revolving around the development and commencement of power production by generating assets.
- Risk covering SolarShare's ongoing transactions relating to operations, including sovereign risk from the ACT government.
- Risks due to not meeting shareholders expectations.

An assessment of the business's risk profile is undertaken and reviewed by the Board in June each year, covering all aspects of the business from the operational level through to strategic level risks. The Project Director has been delegated the task of implementing internal controls to identify and manage risks for which the Board



provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The uncertain economic environment has emphasised the importance of managing and reassessing its key business risks.

In addition to their regular reporting on business risks, risk management and internal control systems, the Project Director also provide the Board with assurance that the directors' declaration provided with the annual report is founded on a sound system of risk management and internal control, and that this system is operating effectively in all material respects in relation to the financial reporting risks. This assurance is provided prior to the meeting at which the directors are due to authorise and sign the company's financial statements.

Remuneration Policy

The remuneration policy, which sets the terms and conditions for executive and non-executive directors, and KMP, was developed by the remuneration committee and was approved by the Board.

Currently, no executive, non-executive directors, or KMP receive any remuneration, as all positions with the company are voluntary.

In the future, the remuneration committee intends to review executive packages annually by reference to company performance, executive performance, comparable information from industry sectors and other listed companies and independent advice. The performance of executives will be measured against criteria agreed half-yearly which are based on the forecast growth of the company's profits and shareholders' value. The policy is designed to attract the highest calibre executives and reward them for performance which results in long-term growth in shareholder value.

Executives are also entitled to participate in the employee share and option arrangements.

The amount of remuneration for all KMP for the company, including all monetary and non-monetary components, is detailed in the remuneration report under the heading "Table of Benefits and Payments". All remuneration paid to executives is valued at the cost to the company and expensed. Shares given to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The Board expects that the remuneration structure implemented will result in the company being able to attract and retain high-calibre executives to manage the company and its business activities. It will also provide executives with the necessary incentives to work to achieve long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the remuneration committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria.

Other Information

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's website at www.solarshare.com.au.



Directors' Report

Your directors present their report, together with the financial statements of the Company for the financial period ended 23 December 2015.

Financial period

SolarShare Community Energy Ltd. was incorporated on 23 July 2014.

According to Section 323D of the Corporations Act, the first financial period for a company, registered scheme or disclosing entity starts on the day on which it is registered or incorporated. It lasts for 12 months or the period (not longer than 18 months) determined by the directors.

Accordingly, the Directors have elected to have SolarShare Community Energy Ltd Financial period run for 18 months, meaning that the first financial period for the company ended on 23 December 2015.

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the company during the financial period were:

- raising equity; and
- seeking appropriate opportunities.

There were no significant changes in the nature of the entity's principal activities during the financial period.

Operating Results and Review Of Operations For The Year

Operating Results

The profit of the entity amounted to \$2411.93, after providing for income tax and eliminating non-controlling equity interests. Further discussion of the entity's operations is provided below.

Review of Operations

(i) Investment activities

The company, as part of its equity raising operations, pursued two broad streams:

- Medium sized greenfield installations of photovoltaic plants, complemented by ACT government feed in tariffs' and
- Medium sized rooftop installations of photovoltaic plants, coupled with power purchase agreements (PPA) from end consumers.

On the greenfield operation the company has submitted 2 proposals to the ACT Government, in September 2014 and April 2015. The ACT government has listed SolarShare as a preferred proponent, however has suggested that the company partner with larger development partners to alleviate risk to community shareholders. These partnerships have been difficult to form, given the small size of the farm for a large development partner. Negotiations are ongoing with two partners currently.

On the rooftop operations the company hopes to close in the short term a PPA with an off taker, who will also lease their roof space to SolarShare.

Significant Changes in State Of Affairs

No significant changes in the state of affairs of the entity occurred during the financial period:

Dividends Paid or Recommended



Dividends paid or declared for payment during the financial period are as follows:

Final ordinary dividend of \$0.00 per share recommended by the Directors to be paid at 26 December 2015	\$0
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Events after the Reporting Period

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial periods.

Future Developments, Prospects and Business Strategies

To further improve the company's profit and maximise shareholder wealth, the following projects are intended for implementation in the near future:

- (i) The completion of negotiations regarding the ACT Governments Community Feed In tariff¹. SolarShare is one of the applicants to the ACT Government regarding this scheme, and hope to be awarded the feed in tariff
- (ii) Execution of Power Purchase Agreement and related leases with an entity to enable SolarShare to build its first non feed-in project.

These projects, together with the current strategy of continuous improvement and adherence to quality control in existing markets, are expected to assist in the achievement of the entity's long-term goals and development of new business opportunities.

Environmental Issues

The entity's operations are subject to significant environmental regulation under the law of the Commonwealth and State. No significant details of the entity's performance in relation to environmental regulation occurred.

Information on Directors

Brian Acworth	Chair
Qualifications	AM, JP FAIM, F Fin, AICD
Experience	<p>Brian Acworth has enjoyed a range of senior positions in his 45 year Banking career and has considerable board, governance, private enterprise, business and Government experience:</p> <p>This includes Director Gabriel Foundation Limited (Canberra Girls Grammar); Chairman of the Audit and Risk Committee for the Law Courts of Australia and the Family Law Courts of Australia; Member of the Development Committee, University of Canberra, Chairman of Finance Committee, University of Canberra, Director John James Hospital Memorial Foundation Limited, Director and 50% owner PlantsPlus Loganholme and Loganholme Nursery and Landscape Centre, Director Goodwin Retirement Homes Limited, Chairman Exhibition Park in Canberra (Canberra Show Grounds, Exhibition and Convention Centre – ACT Government Business Enterprise), Director John James Memorial Hospital,</p>

¹ ACT Government Community Solar feed-in tariff, found at http://www.environment.act.gov.au/energy/cleaner-energy/community_solar



	<p>Director Royal College of Nursing Australia, Director Canberra and District Foundation (Greater Good).</p> <p>In addition he has extensive Chairman and Director experience in the Not-For-Profit sector.</p>
Interest in Shares and Options	Brian holds one (1) share in SolarShare Community Energy Ltd
Special Responsibilities	None
Directorships held in other listed entities during the three years prior to the current year	Nil

Robert Clark	Non-Executive Director
Qualifications	Masters of Business Administration
Experience	<p>Robert has a considerable breadth of experience encompassing commercial, engineering, agriculture, commodities, non-profit and government operations. Proficiencies include corporate leadership, human resource strategy and operations, commercial and non-commercial business creation, market structuring, international commodity trading and corporate risk.</p> <p>For over 30 years Bob has had a positive impact in the posturing, operation and leadership of local and global for-purpose and commercial organisations. Bob's business and community service links with his passion and skill in governance, strategy, capability and resourcing.</p>
Interest in Shares and Options	Robert holds one (1) share in SolarShare Community Energy Ltd
Special Responsibilities	Company Secretary
Directorships held in other listed entities during the three years prior to the current year	Nil

Michelle McCann	Non-Executive Director
Qualifications	PhD BSc (Hons)
Experience	<p>Michelle has worked in solar energy since 1996. She is currently a consultant to the PV industry and CEO and Partner of PV Lab Australia, a specialised test laboratory with a focus on quality assurance and risk evaluation for PV modules and components. She was CEO and Director of an Australian solar start up.</p>
Interest in Shares and Options	Michelle holds one (1) share in SolarShare Community Energy Ltd
Special Responsibilities	Deputy Chair
Directorships held in other listed entities during the	Nil

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three years prior to the current year	
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Nicolas Fejer	Non-Executive Director
Qualifications	BEng (Hons), BSc, MAIPM
Experience	Nicolas has more than 20 years' experience in Business Development, Project Management for blue chip global manufacturers. He was an alternate director for an Australian solar start up
Interest in Shares and Options	Nicolas holds one (1) share in SolarShare Community Energy Ltd
Special Responsibilities	Chair of the Finance, Audit and Risk committee
Directorships held in other listed entities during the three years prior to the current year	Nil

Robert Henman	Non-Executive Director
Qualifications	CPA, BBus(Accounting), GAICD, Adv Dip (Financial Licensing Management)
Experience	Robert's career has seen him work in banking, private and public entities, both at a State and Federal level. He has spent many years in treasury and risk related roles and has experience in setting up a managed investment scheme.
Interest in Shares and Options	Robert holds one (1) share in SolarShare Community Energy Ltd
Special Responsibilities	None
Directorships held in other listed entities during the three years prior to the current year	Nil

Company Secretary

The following person held the position of company secretary at the end of the financial period:

Robert Clark — MBA. Robert has worked for SolarShare Community Energy Ltd for the past one and a half years, holding no management roles in the business. Robert was appointed as the company secretary on 23 July 2014.

Meetings of Directors

During the financial period, 17 meetings of directors (including committees of directors) were held.

Attendances by each director during the year were as follows:



Board Member	Brian Acworth	Robert Clark	Michelle McCann	Nicolas Fejer	Robert Henman
Date appointed	23-Jul-14	23-Jul-14	23-Jul-14	23-Jul-14	25-Aug-15
Date Ceased		-	-	-	-
Meetings held during period of directorship	16	16	16	16	4
Meetings attended	13	9	10	13	3

Indemnifying Officers or Auditor

During or since the end of the financial period, the company has not given any indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums.

Options

At the date of this report, no unissued ordinary shares of SolarShare Community Energy Ltd under option existed.

Options holders do not have any rights to participate in any issue of shares or other interests in the company or any other entity.

For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

During the period ended 23 December 2015, no ordinary shares of SolarShare Community Energy Ltd were issued on the exercise of options granted. No further shares have been issued since year end. No amounts are unpaid on any of the shares.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Proceedings On Behalf Of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-Audit Services

No non-audit services were provided to SolarShare during the financial period. Consequently the Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.



Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 23 December 2015 has been received and can be found on page 17 of the Financial Report.

ASIC Class Order 98/100 Rounding of Amounts

The company is not an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest cent.

Remuneration Report

Remuneration Policy

The remuneration policy of SolarShare Community Energy Ltd has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the entity's financial results. The Board of SolarShare Community Energy Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain the high-quality KMP to run and manage the entity, as well as create goal congruence between directors, executives and shareholders. The Directors acknowledge that the remuneration policy is forward looking, as no executive, KMP or director is remunerated at this time, and no obligation or expectation exists to remunerate for previous efforts.

The Board's policy for determining the nature and amount of remuneration for KMP of the entity is as follows:

- The remuneration policy is to be developed by the remuneration committee and approved by the Board after professional advice is sought from independent external consultants.
- All KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.
- Performance incentives are generally only paid once predetermined key performance indicators (KPIs) have been met.
- Incentives paid in the form of options or rights are intended to align the interests of the directors and company with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The remuneration committee reviews KMP packages annually by reference to the entity's performance, executive performance and comparable information from industry sectors.

The performance of KMP is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the company's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any change must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

KMP receive a superannuation guarantee contribution required by the government, which is currently 9% of the individual's average weekly ordinary time earnings (AWOTE), and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.



Upon retirement, KMP are paid employee benefit entitlements accrued to the date of retirement. KMP are paid a percentage of their salary in the event of redundancy. Any options not exercised before or on the date of termination will lapse.

All remuneration paid to KMP is valued at the cost to the company and expensed.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting.

KMP are also entitled and encouraged to participate in the employee share and option arrangements to align directors' interests with shareholders' interests.

Options granted under the arrangement do not carry dividend or voting rights. Each option is entitled to be converted into one ordinary share once the interim or final financial report has been disclosed to the public and is valued using the Black-Scholes methodology.

KMP or closely related parties of KMP are prohibited from entering into hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration.

In addition, the Board's remuneration policy prohibits directors and KMP from using SolarShare Community Energy Ltd shares as collateral in any financial transaction, including margin loan arrangements.

Engagement of Remuneration Consultants

No Remuneration consultants were engaged by the company during the financial period.

Performance-based Remuneration

Currently no performance based remuneration exists in SolarShare Community Energy Ltd.

Performance Conditions linked to Remuneration

The company may, in the future, seek to emphasise reward incentives for results and continued commitment to the company through the provision of various cash bonus reward schemes, specifically, the incorporation of incentive payments based on the achievement of revenue targets, return on equity ratios, and continued employment with the company.

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial period, members of KMP of the company. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

	Position Held as at 23 December 2015 and any change during the year	Contract details (duration & termination)
Key Management Personnel		
Brian Acworth	Chair of the Board	
Robert Clark	Company Secretary	
Michelle McCann	Non-Executive Director	
Nicolas Fejer	Non-Executive Director	



Robert Henman	Non-Executive Director	
Other Executives		
Lawrence McIntosh	Project Director	

	Proportions of elements of remuneration related to performance			Proportions of elements of remuneration not related to performance	
	Non-salary cash based incentives %	Shares/ Units %	Options/ Rights %	Fixed Salary/Fees %	Total %
Key Management Personnel					
Brian Acworth	0	0	0	0	0
Robert Clark	0	0	0	0	0
Michelle McCann	0	0	0	0	0
Nicolas Fejer	0	0	0	0	0
Robert Henman	0	0	0	0	0
Lawrence McIntosh	0	0	0	0	0

Changes in Directors and Executives Subsequent to Year End

On 25 August 2015, Robert Henman commenced as a Director.

Remuneration Details for the Financial Period

The following table of benefits and payments details, in respect to the financial period, the components of remuneration for each member of KMP of the company:

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	Long-term		Equity-settled share-based		Cash-settled	Termination	Total
	Incentive Plans \$	LSL \$	Shares/Units \$	Options/Rights \$	share-based payments \$	benefits \$	
Key Management Personnel							
Brian Acworth	0	0	0	0	0	0	0
Robert Clark	0	0	0	0	0	0	0
Michelle McCann	0	0	0	0	0	0	0
Nicolas Fejer	0	0	0	0	0	0	0
Robert Henman	0	0	0	0	0	0	0
							0
Lawrence McIntosh	0	0	0	0	0	0	0

Securities Received That Are Not Performance Related

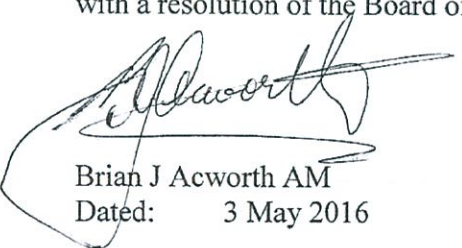
No members of KMP are entitled to receive securities which are not performance-based as part of their remuneration package.

Cash Bonuses, Performance-Related Bonuses and Share-Based Payments

Options and Rights Granted

No Options or Rights have been granted to any executive, director or KMP.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.


Brian J Acworth AM
Dated: 3 May 2016

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Directors Declaration

The directors of the company declare that:

1. The financial statements and notes, being the balance sheet, statement of comprehensive income, statement of cash flows, statement of changes in equity and notes to the financial statements are in accordance with the Corporations Act 2001:
 - a. Comply with Accounting Standards; and
 - b. Give a true and fair view of the financial position as at 23 December 2015 and the performance for the year ended on that date of the company;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "B. Acworth".

Brian J Acworth
Dated: 3 May 2016

Principal Phillip W Miller CA
Address Unit 1/37 Geils Court, Deakin ACT 2600
PO Box 105, Deakin West ACT 2600
Suite 1.3, 33 Hibberson Street
Gungahlin ACT 2912
Phone (02) 6215 7600
Fax (02) 6281 7708
Web www.mcsaudit.com.au
ASIC Authorised Audit Company No. 408893

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
SOLARSHARE COMMUNITY ENERGY LTD
ACN: 600 571 220**

As lead auditor for the audit of SolarShare Community Energy Ltd for the year ended 23 December 2015, I declare that to the best of my knowledge and belief, there have been:

- i. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

MCS Audit Pty Ltd
Chartered Accountants



Phillip William Miller CA
Director

Dated in Canberra on:

4 May 2016



Statement Of Comprehensive Income For The Year

Profit and Loss

SolarShare Community Energy Ltd

For the period 23 July 2014 to 23 December
2015

Account	Note	23 Jul 2014 – 23 Dec 2015
Trading Income		
Interest Income		0.03
Other Revenue	2	2,608.90
Workshops and Events		2,000.00
Total Trading Income		4,608.93
Gross Profit		4,608.93
Operating Expenses		
Consulting & Accounting		1,000.00
Subscriptions		1,161.00
Website expenses		36.00
Total Operating Expenses		2,197.00
Net Profit	3	2,411.93
Earnings per share (\$ per share)		
From continuing and discontinued operations		
Basic earnings per share	9	401.99
Diluted earnings per share	9	401.99
From continuing operations:	9	
Basic earnings per share	9	401.99
Diluted earnings per share	9	401.99
From discontinued operations:	9	
Basic earnings/(loss) per share	9	401.99

The accompanying notes form part of these financial statements.



Statement of Financial Position

SolarShare Community Energy Ltd

23 December 2015

Assets		Note	
Bank			
Bank Australia transaction A/C	10		\$1,468.33
Total Bank			\$1,468.33
Current Assets			
Accounts Receivable	11		\$2,200.00
Total Current Assets			\$2,200.00
Total Assets			\$3,668.33
Liabilities			
Current Liabilities			
Accounts Payable	23		\$1,100.00
GST	27		\$96.40
Total Current Liabilities			\$1,196.40
Total Liabilities			\$1,196.40
Net Assets			\$2,471.93
Equity			
Current Year Earnings			\$2,411.93
Retained Earnings			
Share Capital	30		\$60.00
Total Equity			\$2,471.93

The accompanying notes form part of these financial statements.

SOLARSHARE COMMUNITY
ENERGY LTD
ACN: 600 571 220



Statement of Changes in Equity

SolarShare Community Energy Ltd
For the Year ended 23rd December 2015

23 December 2015

Equity at start of period	Note	\$60.00
Surplus and Revaluations		
Net Surplus After Tax		\$2,411.93
Total Surplus and Revaluations		\$2,411.93
Equity at end of period		\$2,471.93



Statement of Cash Flows

SolarShare Community Energy Ltd

For the period 23 July 2014 to 23 December 2015

Account	Note	23 Jul 2014 – 23 Dec 2015
Cash Flows from Operating Activities		
Receipts from customers		2,608.93
Payments to suppliers and employees		(1,200.60)
Total Cash Flows from Operating Activities	34a	1,408.33
Cash Flows from Investing Activities		
Other cash items from investing activities		0.00
Total Cash Flows from Investing Activities		0.00
Cash Flows from Financing Activities		
Other cash items from financing activities		60.00
Total Cash Flows from Financing Activities		60.00
Net Cash Flows		1,468.33
Cash Balances		
Cash and cash equivalents at beginning of period	10	0.00
Cash and cash equivalents at end of period	10	1,468.33
Net change in cash for period		1,468.33

The accompanying notes form part of these financial statements.



Notes To The Financial Statements

This financial report includes the financial statements and notes of SolarShare Community Energy Ltd. These notes are applicable for the year ending 23 December 2015

Note 1 Summary Of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company is a for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognized (subject to certain limited exemptions).

The company made no acquisitions during the period and as a result has not needed to account for any business combinations.

(b) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(c) Inventories

The company held no inventory for the period.

(d) Land Held for Sale

The company held no land for sale during the period.

(e) Construction Contracts and Work in Progress

The company had no construction works or contracts during the period.

(f) Property, Plant and Equipment

The company had no property, plant or equipment during the period.

(g) Exploration and Development Expenditure

The company had no exploration or development expenditure during the period.

Exploration, evaluation and development expenditure incurred is capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of a project or projects in the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of a viable project(s).

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When generation commences, the accumulated costs for the relevant area of interest are amortised over the life of the project(s) in the area.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided for over the life of the project from when construction commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of solar generation plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and

future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(h) Investment Property

The company had no investment property during the period.

(i) Leases

The company had no leases during the period.

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset – but not the legal ownership, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(j) Financial Instruments

The company held no financial instruments during the period.

(k) Impairment of Assets

The company has no impaired assets.

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(l) Investments in Associates

The company has no investments in associates

(m) Interests in Joint Ventures

The company has no interests in joint ventures.

(n) Intangibles Other than Goodwill

The company has no intangibles.

(o) Foreign Currency Transactions and Balances



The company has no foreign currency.

(p) Employee Benefits

The company has no employees, and as a result has no employee benefits to account for.

(q) Provisions

The company has no obligations requiring provisions to be made.

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(r) Provision for Warranties

The company has no warranty obligations and has not set aside any warranty provisions.

Provision is made in respect of the Company's best estimate of the liability on all products and services under warranty at the end of the reporting period. The provision is measured as the present value of future cash flows estimated to be required to settle the warranty obligation. The future cash flows have been estimated by reference to the entity's history of warranty claims.

(s) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

(t) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method.

Dividend revenue is recognised when the right to receive a dividend has been established.

Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue relating to construction activities is detailed at Note 1(e).

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

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



(t) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(j) for further discussion on the determination of impairment losses.

(u) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(w) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

(x) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(y) Government Grants

The Company had no government grants during the reporting period.

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

(z) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period. Where the Company has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(aa) Rounding of Amounts

The company does not qualify for the relief available to it under ASIC Class Order 98/100. Accordingly, amounts in the financial statements and directors' report have been rounded off to the nearest \$1

(ab) Critical Accounting Estimates and Judgments



The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates

(i) Impairment - General

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations that incorporate various key assumptions.

(ac) Change in Accounting Policy

As this is the first year of operation, the Company made no changes to its accounting policy.

Note 2 Revenue And Other Income

	Note	2015 \$
(a) Revenue from continuing operations		
Sales revenue		
— sale of goods		
— provision of services		2,000.00
Total sales revenue		-
Other revenue		
— dividends received		-
— interest received		0.03
— government subsidies received		-
— other revenue		2,608.90
— construction revenue		-
— rental revenue		-
— royalties		-
Total other revenue		2,608.93
Total sales revenue and other revenue		4,608.93
Other income		
— net gains on financial assets at fair value through profit or loss		
— held for trading		-
— gain on remeasurement of equity investment due to business combination		-
— gain on disposal of property, plant and equipment		-
— gain on disposal of non-current assets		-
— gain on debt defeasance		-
— gains on disposal of non-current assets		-
— gains on investments and derivatives		-



— gain on revaluation of investment in associate	-
— gain on revaluation of investment property	-
— other income	-
Total other income	-
Dividend revenue from:	
— associated companies	-
— joint venture entities	-
— other related corporations	-
— other related parties	-
— other corporations	-
Total dividend revenue	-
Interest revenue from:	
— ultimate parent entity	-
— subsidiaries of ultimate parent entity	-
— other related parties	-
— directors	-
— associated companies	-
— other corporations	-
— other persons	-
Total interest revenue on financial assets not at fair value through profit or loss	-
(b) Total revenue and other income from continuing operations	4,608.93
(c) Revenue and other income from discontinued operations	-
(d) Income from continuing operations and discontinued operations	4,608.93

Note 3 Profit For The Financial Period

	Note	2015
(a) Expenses		\$
Cost of sales		2,197
Interest expense on financial liabilities not at fair value through profit or loss:		
— Director related entities		-
— Ultimate parent entity		-
— Associated companies		-
— Subsidiaries of ultimate parent entity		-
— Related parties		-



— Other persons	-
Fair value gains on interest rate swaps designated as cash flow hedges transferred from equity	-
Fair value gains on foreign exchange contracts designated as cash flow hedges transferred from equity	-
Total interest expense	-
Cash flow hedge ineffectiveness	-
Impairment of non-current investments	-
Foreign currency translation losses	-
Foreign currency translation loss from speculative dealings	-
Employee benefits expense	
defined contribution superannuation	
— expense	-
Bad and doubtful debts:	
— trade receivables	-
— term receivables	-
— directors	-
— other related parties	-
Total bad and doubtful debts	-
Employee benefits expense:	
contributions to defined contribution	
— superannuation funds	
Rental expense on operating leases	
— minimum lease payments	-
— contingent rentals	-
— rental expense for sublease	-
Loss on disposal of property, plant and equipment	-
Loss on remeasurement of equity investment due to business combination	-
Loss on debt defeasance	-
Loss on disposal of non-current investments	-
Loss on investments and derivatives	-
Loss on revaluation of investment in associate	-
Loss on revaluation of investment property	-
Contingent rentals on finance leases	-
Exploration expenditure	-
Write-off of capitalised exploration expenditure	-
Research and development costs	-
Early termination of foreign currency hedge	-
Write-down of inventories to net realisable value	-
Write-off of assets destroyed during flood	-



Write-off of obsolete stock	-
Direct property expenditure from Investment property generating rental income	-

(b) Significant Revenue and Expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

Consideration on discontinuation	-
Carrying amount of net assets sold	-
Net gain on the discontinuation	-

Note 4 Income Tax Expense

The Company had no income tax expense during the reporting period.

Note 5 Discontinued Operations

The Company did not have any discontinued operations during the reporting period.

Note 6 Key Management Personnel Compensation

Key Management Personnel are employed on a voluntary basis and were not paid compensation during the reporting period.

KMP Shareholdings

The number of ordinary shares in SolarShare Community Energy Ltd held during the financial period by each KMP of the entity is as follows:

23 December 2015	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Bonbel Pty Ltd as Trustee (Brian Acworth)	1	0	0	0	0
Robert James Clark	1	0	0	0	0
Stripey Otter Pty Ltd as Trustee (Michelle McCann)	1	0	0	0	0
Nicolas Fejer	1	0	0	0	0
TJ Solen Pty Ltd as Trustee(Lawrence McIntosh)	1	0	0	0	0

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above.



For details of other transactions with KMP, refer to Note 37 Related Party Transactions for details of loans to KMP, refer to Note 11 Trade And Other Receivables.

Note 7 Auditors' Remuneration

	2015 \$
Remuneration of the auditor for:	
— auditing or reviewing the financial report	1000.00
— taxation services	-
— due diligence services	-
— taxation services provided by related practice of auditor	-
	<u>1000.00</u>

Note 8 Dividends

The company did not pay any dividends during the reporting period.

Note 9 Earnings per Share

	2015 \$
(a) Reconciliation of earnings to profit or loss	
Profit	2197
Profit attributable to non-controlling equity interest	
Redeemable and converting preference share dividends	
Earnings used to calculate basic EPS	<u>2197</u>
Dividends on converting preference shares	
Earnings used in the calculation of dilutive EPS	<u>2197</u>
(b) Reconciliation of earnings to profit or loss from continuing operations	
Profit from continuing operations	
Profit attributable to non-controlling equity interest in respect of continuing operations	
Redeemable and converting preference share dividends	
Earnings used to calculate basic EPS from continuing operations	<u>-</u>
Dividends on converting preference shares	
Earnings used in the calculation of dilutive EPS from continuing operations	<u>-</u>
(c) Reconciliation of earnings to profit or loss from discontinued operations	
Profit from discontinued operations	
Profit attributable to non-controlling equity interest	
Earnings used to calculated basic EPS from discontinued	<u>-</u>



operations	
(d) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	6
Weighted average number of dilutive options outstanding	
Weighted average number of dilutive converting preference shares on issue	
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	6
(e) Diluted earnings per share are not reflected for discontinued operations as the result is anti-dilutive in nature.	366.16
(f) Anti-dilutive options on issue not used in dilutive EPS calculations.	

Note 10 Cash and Cash Equivalents

	Note	2015 \$
Cash at bank and on hand		1,468.33
Short-term bank deposits		-
	38	1468.33

Note 11 Trade And Other Receivables

	Note	2015 \$
CURRENT		
Trade receivables		2,200
Provision for impairment		-
Term receivables		-
Provision for impairment		-
Amounts due from customers for construction contracts		-
Other receivables		-
Government subsidies receivable		-
Amounts receivable from related parties		-
— associated companies		-
— provision for impairment of receivables - associated companies		-



— other related parties	-
— provision for impairment of receivables - other related parties	-
— subsidiaries of ultimate parent entity	-
— other key management personnel	-
Total current trade and other receivables	2,200
NON-CURRENT	
Trade receivables	-
Provision for impairment	-
Term receivables	-
Provision for impairment of receivables	-
Total non-current trade and other receivables	-

The Company has no trade or other receivables exposed to credit risk.

The Company holds no collateral as security over trade and other receivables

The Company has no financial assets classified as Loans and Receivables.

The Company has no receivables pledged as collateral over any debt.

Note 12 Inventories

The company did not hold any inventory during the period

Note 13 Land Held for Sale

The company did not hold any land for sale during the reporting period.

Note 14 Investments Accounted For Using the Equity Method

The company did not account for any investments using the equity method during the reporting period.

Note 15 Associated Companies

The Company had no interests in associated companies

Note 16 Joint Ventures

The company holds no interests in joint ventures

Note 17 Derivatives

The company holds no derivatives

Note 18 Other Financial Assets

The Company has no interest in other financial assets - -

Note 19 Property, Plant And Equipment



The company did not have any property, plant or equipment during the reporting period.

Note 20 Investment Property

The Company did not hold any investment property during the period

Note 21 Intangible Assets

The Company did not have any intangible assets in the reporting period.

Note 22 Other Assets

The company has no other assets.

Note 23 Trade and Other payables

The Company had a single liability for \$1100

Note 24 Other Current Liabilities

The Company has no other current liabilities.

Note 25 Borrowings

The Company had no borrowings during the reporting period.

Note 26 Other Financial Liabilities

The company has no other financial liabilities

Note 27 Tax

The Company did not pay any income tax during the reporting period. The Company lodged a nil tax return for the financial period 1/7/14 to 30/6/15.

Note 28 Provisions

The Company did not deem it necessary to hold any provisions as there are no employees, warranties, nor any other interests or arrangements during the reporting period with the possibility of necessitating a provision.

Note 29 Retirement Benefit Obligations

As the Company has no employees, there are no employee benefit plans in place and no benefit obligations

Note 30 Issued Capital

	2015
	\$
2014 fully paid ordinary shares	60
	60

The company has authorised share capital amounting to 6 ordinary shares.

(a) Ordinary Shares

2015
No.



At the beginning of reporting period	6
Shares issued during year	
— 23 rd July 2014	6
Shares bought back during year	0
At the end of the reporting period	6

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

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

The Company has no other share class than ordinary shares.

The Company has not issued any share options

(e) Capital Management

Management controls the capital of the company in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the company can fund its operations and continue as a going concern.

The Company's debt and capital includes ordinary share capital only.

Management effectively manage the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

The Company's capital management strategy is to seek community investment capital thorough a capital raise of approximately \$2.5m through lodging an Offer Information Statement with ASIC. The Company's strategy is to maintain a gearing ratio below 50%.

The Company did not carry any debt during the reporting period.

Note 31 Capital And Leasing Commitments

The Company has not made, and is not a party to any capital or leasing commitments.

Note 32 Contingent Liabilities and Contingent Assets

Estimates of the potential financial effect of contingent liabilities that may become payable:

	2015
Contingent Liabilities	\$
Legal Fees contingent upon successful community capital raise	
The Company has success-based payments with two legal advisory firms. The success criterion is a community capital raise securing at least \$750,000.	24,200

Note 33 Operating Segments

The Company operates as a single segment and is not split into separate operational segments.

Note 34 Cash Flow Information



	2015 \$
(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax	
Profit after income tax	2411.93
Cash flows excluded from profit attributable to operating activities	
Finance costs on debentures	
Non-cash flows in profit	
Amortisation	
Depreciation	
Write-off of capitalised expenditure	
Write-off of obsolete stock	
Write-down of inventory to fair value	
Net (gain)/loss on remeasurement of equity investment due to business combination	-
Net (gain)/loss on disposal of property, plant and equipment	-
Net (gain)/loss on disposal of sale of scaffolding construction and hire division	
(Gain)/loss on debt defeasance	-
Net (gain)/loss on revaluation of investment property	-
Net (gain)/loss on revaluation of investment in associate	-
Net (gain)/loss on disposal of investments	-
Unrealised (gain)/loss on investments and derivatives	-
Write-downs to recoverable amount	
Share options expensed	
Impairment loss	
Flood losses — plant and inventories	
Share of associated companies net profit after income tax and dividends	
Share of joint venture entity net profit after income tax and dividends	
Changes in assets and liabilities	
(Increase)/decrease in trade and term receivables	(2,200.00)
(Increase)/decrease in prepayments	
(Increase)/decrease in inventories	
Increase/(decrease) in trade payables and accruals	1,100.00
Increase/(decrease) in income taxes payable	



Increase/(decrease) in deferred taxes payable	96.40
Increase/(decrease) in deferred taxes receivable	
Increase/(decrease) in provisions	
Cash flow from operations	1408.33

(b) Non-cash Financing and Investing Activities

(i) Share issue

6 fully paid ordinary shares preference shares were issued at \$10 each as the incorporating share capital.

Note 35 Share Based Payments

The Company made no share based payments during the reporting period.

Note 36 Events after the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 37 Related Party Transactions

The Company does not have any related parties.

Note 38 Financial Risk Management

The Company's financial instruments consist entirely of deposits with banks.

	Note	2015 \$
Financial Assets		
Cash and cash equivalents	10	1,468.33
Financial assets at fair value through profit or loss		
— derivative instruments	17	-
— held for trading		-
		-
Held-to-maturity investments		-
Loans and receivables		-
Available-for-sale financial assets		
— at fair value		
— listed investments		-
— unlisted investments		-
		-
— at recoverable amount		
— unlisted investments		-
— at cost		-



—	unlisted investments		-
	Total available-for-sale financial assets		-
	Total Financial Assets		1468.33
	Financial Liabilities		
	Financial liabilities at amortised cost		
—	Trade and other payables	23	1196.40
—	Borrowings	25	-
	Total Financial Liabilities		1196.40

Financial Risk Management Policies

The Finance, Audit and Risk Committee have been delegated responsibility by the Board of Directors for, among other issues, managing financial risk exposures of the Company. The committee monitors the Company's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to transaction risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk.

The company's overall risk management strategy seeks to assist the company in meeting its financial targets, while minimising potential adverse effects on financial performance.

Specific Financial Risk Exposures and Management

The main risk the entity is exposed to is credit risk.

a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the entity.

Credit risk is managed through regular monitoring of exposures to significant customers and contractual counterparties

The entity has a single trade creditor representing the entire trade and receivables credit. The Company does not consider the amount involved or credit worthiness of the counterparty to represent a high level of risk, despite being concentrated in a single counterparty.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 11.

Credit risk related to balances with banks and other financial institutions is managed by the Finance, Audit and Risk Committee in accordance with approved board policy. Such policy requires that surplus funds are only invested



with counterparties with a Standard and Poor's rating of at least BBB+ long-term and A-2 short-term. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	Note	2012 \$
Cash and cash equivalents		
- A Rated		
- A-2 Rated		1468.33
	10	1468.33
Held-to-maturity securities		
- AAA Rated	18	

b) Liquidity risk

The company has no debts or obligations related to financial liabilities

c) Market Risk

a. Interest rate risk

The company has no financial assets or liabilities with exposure to interest rate risk.

b. Foreign exchange risk

The company has no exposure to financial instruments, contracts or other arrangements subject to foreign exchange risk.

iii. Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk or currency risk) for commodities.

The company is not a party to any financial instruments, contracts or other arrangements that may expose the company to other price risk.

Sensitivity Analysis

The company has no exposure to changes in interest rates, exchange rates, commodity prices or equity prices. Due to this, a sensitivity analysis has not been performed

SOLARSHARE COMMUNITY
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Fair Values

Fair value estimation

The company does not hold any financial assets other than cash; as a result of this a fair value estimation⁷ is not required.

Financial Instruments Measured at Fair Value

The company has no financial instruments (other than cash) that it measures and reports on at fair value.

Note 39 Reserves

The Company holds no reserves.

Note 40 Economic Dependency

The Company does not have any economic dependency on Patents or other protected IP.

Note 44 Company Details

The registered office of the company is:

SolarShare Community Energy Ltd

Suite 1, (SEE-Change Office) Downer Community Centre

1 Frencham Pl,

DOWNER

Australian Capital Territory, 2602

The principal place of business is:

SolarShare Community Energy Ltd

Suite 1, (SEE-Change Office) Downer Community Centre

1 Frencham Pl,

DOWNER

Australian Capital Territory, 2602

Principal Phillip W Miller CA
Address Unit 1/37 Geils Court, Deakin ACT 2600
PO Box 105, Deakin West ACT 2600
Suite 1.3, 33 Hibberson Street
Gungahlin ACT 2912
Phone (02) 6215 7600
Fax (02) 6281 7708
Web www.mcsaudit.com.au
ASIC Authorised Audit Company No. 408893

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
SOLARSHARE COMMUNITY ENERGY LTD
ACN: 600 571 220**

Report on the financial report

We have audited the accompanying financial report of SolarShare Community Energy Ltd, which comprises the statement of financial position as at 23 December 2015, and the statement of comprehensive income for the year then ended, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act* 2001. We confirm that the independence declaration required by the *Corporations Act* 2001, which has been given to the directors of SolarShare Community Energy Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of SolarShare Community Energy Ltd is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 23 December 2015 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Name of Firm:

MCS Audit Pty Ltd

Name of Director:


Phillip W Miller CA

Address:

Unit 1/37 Geils Court, Deakin ACT 2600

Dated:

4 May 2016