

APPENDIX 4E

PRELIMINARY FINAL REPORT GIVEN TO THE ASX UNDER LISTING RULE 4.3A

Name of Entity	Questus Limited
ABN	26 100 460 035
Year Ended	30 June 2018
Previous Corresponding Reporting Period	30 June 2017

Results for Announcement to the Market

	\$'000	Percentage increase/(decrease) over previous corresponding period
Revenue from ordinary activities	1,596	(85%)
Loss from ordinary activities after tax attributable to members	(1,681)	(646%)
Loss for the period attributable to members	(1,681)	(646%)
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	It is not proposed to pay Dividends	
Interim Dividend	It is not proposed to pay Dividends	
Record date for determining entitlements to the dividends (if any)	Not Applicable	
Consolidated Statement of Profit or Loss and Other Comprehensive Income	Refer Appendix 1	
Consolidated Statement of Financial Position	Refer Appendix 2	
Consolidated Statement of Cash Flows	Refer Appendix 3	
Consolidated Statement of Changes in Equity	Refer Appendix 4	

Details of Dividends

Date the dividend is payable	No dividends
Record date to determine entitlement to the dividend	No dividends
Amount per security	-c
Total dividend	-c
Amount per security of foreign sourced dividend or distribution	-c
Details of any dividend reinvestment plans in operation	No dividends

The last date for receipt of an election notice for participation in any dividend reinvestment plans	No dividends
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Net Tangible Assets per Security	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	(0.90)c	1.63c
Entity over which control has been gained	N/A	
Entity over which control has been lost	N/A	
Details of Associates and Joint Ventures	N/A	
Commentary on the result for the period	Refer below	
Status of Audit or Review	This report is based on accounts that are in the process of being audited	
Dispute or Qualification / review		
Qualification of audit / review		

Commentary on Results

During the year, Questus has continued its involvement with the delivery of affordable housing through its engagement in the now discontinued, Federal Government's National Rental Affordability Scheme (NRAS). The adverse conditions in the Western Australian Property market substantially slowed the delivery of the NRAS allocations and an adverse impact on the company's revenues and profitability. The Company incurred a loss after income tax for the year of \$1,681,152 (2017: profit of \$307,795).

During the year the Company has continued to realise its assets and reduce its debt levels. Management have focused on repositioning the company, to more streamline operations which has included reduction in the number of personnel, a move to smaller and more efficient premises, and reducing Company overheads and administration expenses.

Whilst the Company will continue with the delivery of its remaining NRAS entitlements and operate in the affordable housing sector, the repositioning of the Company allows it to pursue a number of strategic corporate opportunities for the future growth and development.

APPENDIX 1
PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND
OTHER COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
Revenue	3	1,595,593	10,190,420
Employee benefits expenses		(393,893)	(1,503,418)
Direct development costs		(1,164,618)	(4,996,736)
Selling costs		(31,585)	(273,298)
Depreciation and amortisation		(15,843)	(18,161)
Loss on disposal of assets		(41,334)	-
Impairment of assets and investments	3a	(464,680)	(267,318)
Provision for non-recoverable amounts	3b	(121,500)	(24,125)
Other expenses	3c	(1,094,424)	(1,792,994)
(Loss) / Profit before tax and finance costs		(1,732,284)	1,314,370
Finance costs		(609,086)	(870,094)
(Loss) / Profit before income tax		(2,341,370)	444,275
Income tax benefit / (expense)	15	660,218	(136,481)
(Loss) / Profit from continuing operations		(1,681,152)	307,795
Other comprehensive income, net of income tax		-	-
Total comprehensive (loss) / income for the year		(1,681,152)	307,795
(Loss) / Earnings per share (cents per share)			
- basic and diluted for (loss) / profit for the year		(1.81)	0.33

The Preliminary Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the Preliminary Final Report

APPENDIX 2
PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,282,387	1,918,704
Trade and other receivables	5	2,229,536	5,048,097
Inventories	6	1,087,105	1,908,320
Other assets	7	53,670	44,628
Total Current Assets		4,652,698	8,919,749
Non-Current Assets			
Other financial assets	8	4,312	5,390
Trade and other receivables	5	337,077	1,086,233
Inventories	6	1,618,488	1,897,242
Deferred tax asset	15	2,231,376	1,571,158
Plant and equipment	10	30,404	54,241
Intangible assets	11	548,234	548,234
Total Non-Current Assets		4,769,891	5,162,498
TOTAL ASSETS		9,422,589	14,082,247
LIABILITIES			
Current Liabilities			
Trade and other payables	12	523,070	953,113
Interest-bearing liabilities	13	2,050,249	6,082,936
Provisions	14	8,040	97,166
Total Current Liabilities		2,581,359	7,133,215
Non-Current Liabilities			
Other payables	12	-	121,600
Interest-bearing liabilities	13	4,894,950	3,200,000
Total Non-Current Liabilities		4,894,950	3,321,600
TOTAL LIABILITIES		7,476,309	10,454,815
NET ASSETS		1,946,280	3,627,432
EQUITY			
Issued capital	16	19,556,370	19,556,370
Reserves		152,890	152,890
Accumulated losses		(17,762,980)	(16,081,828)
TOTAL EQUITY		1,946,280	3,627,432

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the Preliminary Final Report

APPENDIX 3
PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		2,496,625	8,897,295
Payments to suppliers and employees		(1,476,374)	(2,840,313)
Payments for inventories		(870,704)	(2,907,368)
Interest received		18,954	15,936
Interest and borrowing costs paid		(696,769)	(598,144)
Net cash (used in)/generated by operating activities	17a	(528,268)	2,567,406
Cash flows from investing activities			
Purchase of subsidiary		-	(135,000)
Purchase of plant and equipment		(33,345)	(19,801)
Proceeds from disposal of other asset		138,000	278,000
Proceeds from disposal of subsidiary		2,021,963	50,000
Proceeds from disposal of associate		-	415,000
Net cash generated by investing activities		2,126,618	538,199
Cash flows from financing activities			
Proceeds from borrowings		330,216	1,549,648
Repayments of borrowings		(2,687,948)	(3,839,605)
Release of security bond		123,065	-
Net cash used in financing activities		(2,234,667)	(2,289,957)
Net (decrease) / increase in cash and cash equivalents		(636,317)	815,648
Cash and cash equivalents at beginning of year		1,918,704	1,103,056
Cash and cash equivalents at end of year	4	1,282,387	1,918,704

This Statement of Cash Flows is to be read in conjunction with the notes to the Preliminary Final Report

APPENDIX 4
PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR
THE YEAR ENDED 30 JUNE 2018

	Issued Capital	Accumulated Losses	Share Option Reserves	Total
	\$	\$	\$	\$
At 1 July 2016	19,556,370	(16,389,622)	152,890	3,319,638
Profit for the year	-	307,795	-	307,795
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	307,795	-	307,795
At 30 June 2017	19,556,370	(16,081,828)	152,890	3,627,432
At 1 July 2017	19,556,370	(16,081,828)	152,890	3,627,432
Loss for the year	-	(1,681,152)	-	(1,681,152)
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive loss for the year	-	(1,681,152)	-	(1,681,152)
At 30 June 2018	19,556,370	(17,762,980)	152,890	1,946,280

This Statement of Changes in Equity is to be read in conjunction with the notes to the Preliminary Final Report

NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 CORPORATE INFORMATION

This financial report of Questus Limited ('Company') for the year ended 30 June 2018 comprises the Company and its subsidiaries ('Group' or 'Consolidated Entity').

The separate financial statements of the parent entity, Questus Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

Questus Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial information included in this document for the financial year ended 30 June 2018 is unaudited. The financial information does not constitute the Questus Limited full financial statements for the year ended 30 June 2018, which will be approved by the Board, reported on by the auditors and filed with the Australian Securities Investments Commission. The Company's full financial statements will be prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial information for the year ended 30 June 2018 has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the 30 June 2017 financial statements contained in the annual report of the Company.

As required, and unless otherwise stated, comparative statutory financial information for the Company has been presented for the 2017 financial year.

All amounts are expressed in Australian dollars unless otherwise stated. The company's presentation currency is Australian dollars.

Comparative figures have been prepared on the same basis as the current period figures.

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 3 REVENUE and EXPENSES

	2018	2017
	\$	\$
Revenue		
Operating activities		
NRAS income	68,636	856,401
Sale of development stock	1,143,620	4,686,011
Commission income	-	142,094
Management fees	271,879	867,755
Finance revenue – bank and loan interest	16,308	39,335
Sale of rent roll	-	301,403
Gain on de-consolidation	-	2,704,933
Sale of assets	-	266,000
Sundry income	95,150	317,752
	1,595,593	10,181,684
Non-operating activities		
Recovery of expenses	-	8,736
	-	8,736
Total revenue	1,595,593	10,190,420
Expenses		
Impairment of assets and investments		
(a) Impairment of assets	464,680	267,318
(b) Provision for non-recoverable amounts		
Bad debt from current receivables	121,500	24,125

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 3 REVENUE AND EXPENSES (Continued)

	2018	2017
	\$	\$
(c) Other expenses		
Consultants and Contractors	440,660	388,182
Legal Costs	57,502	119,619
Rent and Outgoings	178,370	492,830
Accounting & Audit	78,980	150,398
Travel & Entertainment	68,003	106,138
Other Expenses	270,909	535,827
	1,094,424	1,792,994
	1,094,424	1,792,994

NOTE 4 CASH AND CASH EQUIVALENTS

Cash at bank and on hand – unrestricted	1,274,353	1,909,704
Cash at bank – restricted *	8,034	9,000
	1,282,387	1,918,704
	1,282,387	1,918,704

* restricted cash relates to Questus Warrant Holder's funds

Reconciliation of cash:

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

Cash at bank and in hand	1,282,387	1,918,704
	1,282,387	1,918,704
	1,282,387	1,918,704

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
NOTE 5 TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	1,452,576	2,364,544
Less provision for doubtful debts	(154,000)	(76,500)
Other related parties receivables	93,525	93,525
Less: impairment of receivables	(94,167)	(94,167)
Accrued income	244,504	398,231
Proceeds receivable from sale of share and other receivables	687,098	2,219,396
Bonds	-	143,068
	2,229,536	5,048,097
NON-CURRENT		
Trade receivables	-	305,973
Other related parties	-	13,164
Less: impairment	-	(13,164)
Bonds	20,000	-
Other receivables	215,077	678,260
Accrued income	102,000	102,000
	337,077	1,086,233

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Provision for Impairment of Receivables

Movement in the provision for impairment of receivables is as follows:

	Opening Balance 01/07/2017 \$	Charge for the Year \$	Amounts Written Off \$	Closing Balance 30/06/2018 \$
(i) Current trade receivables	76,500	77,500	-	154,000
(ii) Current other related parties	-	-	-	-
(iii) Non-current other related parties	13,164	-	(13,164)	-
	<u>89,664</u>	<u>77,500</u>	<u>(13,164)</u>	<u>154,000</u>

	Opening Balance 01/07/2016 \$	Charge for the Year \$	Amounts Written Off \$	Closing Balance 30/06/2017 \$
(i) Current trade receivables	94,875	-	(18,375)	76,500
(ii) Current other related parties	1,303,726	-	(1,303,726)	-
(iii) Non-current other related parties	1,225,132	-	(1,211,968)	13,164
	<u>2,623,733</u>	<u>-</u>	<u>(2,534,070)</u>	<u>89,664</u>

NOTE 6 INVENTORIES

	2018 \$	2017 \$
Land held for resale – at cost		
Current	1,087,105	1,908,320
Non-current	1,618,488	1,897,242
	<u>2,705,593</u>	<u>3,805,562</u>

Borrowing costs, interest and holding costs incurred are capitalised during the year which amounted to \$92,438 (2017: \$178,188).

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
NOTE 7 OTHER ASSETS		
Prepaid Insurance	53,670	44,628
NOTE 8 FINANCIAL ASSETS		
Available-for-sale investments	4,312	5,390
(a) Available-for-sale investments		
Listed investment, carried at fair value		
Share in listed trust	133,861	133,861
Less: impairment provision	(129,549)	(128,471)
	4,312	5,390

NOTE 9 CONTROLLED ENTITIES

Controlled entities consolidated:

	Country of incorporation	Percentage owned (%)	
		2018	2017
<u><i>Subsidiaries of Questus Limited</i></u>			
Questus Capital Solutions Limited	Australia	100	100
Questus Funds Management Limited	Australia	100	100
Questus Administration Services Pty Ltd	Australia	100	100
Questus Warrants Pty Ltd	Australia	100	100
Questus Asset Management Pty Ltd	Australia	100	100
Questus Property Management Pty Ltd (Formerly known as Questus Project Management Pty Ltd)	Australia	100	100
Financial Resources Securities Pty Ltd	Australia	100	100
FRL (WA) Pty Ltd	Australia	100	100
Questus Holdings Pty Ltd	Australia	100	100

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 9 CONTROLLED ENTITIES (Continued)

Subsidiaries of Questus Asset Management Pty Ltd:

McNicholl Rockingham Pty Ltd	Australia	100	100
Dalmatio Broome Pty Ltd	Australia	100	100
Commonage Dunsborough Pty Ltd	Australia	100	100
Ellen Stirling Ellenbrook Pty Ltd	Australia	100	100
Nishji Broome Pty Ltd	Australia	100	100
St Andrews Yanchep Pty Ltd	Australia	100	100

Subsidiaries of Questus Holdings Pty Ltd

APMF Victoria Pty Ltd	Australia	100	100
APMF NSW Pty Ltd	Australia	100	100

NOTE 10 PLANT AND EQUIPMENT

	Office equipment	Computer software	Leasehold improvements	Total
	\$	\$	\$	\$
2018				
Balance at beginning of year	44,726	598	8,917	54,241
Additions	9,118	9,837	14,386	33,341
Disposals	(34,046)	-	(7,288)	(41,334)
Depreciation	(13,318)	(857)	(1,669)	(15,844)
Balance at end of year	6,480	9,578	14,346	30,404
Cost	6,610	9,837	14,386	30,833
Accumulated depreciation	(130)	(259)	(40)	(429)
Net carrying amount	6,480	9,578	14,346	30,404

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 10 PLANT AND EQUIPMENT (Continued)

	Office equipment	Computer software	Leasehold improvements	Total
	\$	\$	\$	\$
2017				
Balance at beginning of year	53,301	2,564	10,638	66,503
Additions	5,700	-	-	5,700
Disposals	-	-	-	-
Depreciation	(14,275)	(1,966)	(1,721)	(17,962)
Balance at end of year	44,726	598	8,917	54,241
Cost	175,708	18,330	17,205	211,243
Accumulated depreciation	(130,982)	(17,732)	(8,288)	(157,002)
Net carrying amount	44,726	598	8,917	54,241

NOTE 11 INTANGIBLE ASSETS

	2018	2017
	\$	\$
Goodwill at cost	534,134	534,134
Accumulated impairment losses	-	-
Net carrying value	534,134	534,134
Cost		
Balance at beginning of the year	534,134	534,134
Additional amounts recognised from business combinations occurred during the year	-	55,946
Derecognised on disposal of a subsidiary	-	(55,946)
Balance at end of the year	534,134	534,134
Licences	132,720	132,720
Less accumulated amortisation	(118,620)	(118,620)
Net carrying value	14,100	14,100
Total intangibles	548,234	548,234

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 11 INTANGIBLE ASSETS (Continued)

Reconciliation of carrying amounts at the beginning and end of the year:

	Goodwill	Licences
	\$	\$
2018		
At 1 July 2017	534,134	14,100
Additions	-	-
Amortisation charge	-	-
Disposal/written off	-	-
At 30 June 2018	534,134	14,100
2017		
At 1 July 2016	534,134	-
Additions	55,946	14,100
Amortisation charge	-	-
Disposal/written off	(55,946)	-
At 30 June 2017	534,134	14,100

NOTE 12 TRADE AND OTHER PAYABLES

	2018	2017
	\$	\$
CURRENT		
Trade payables	325,738	289,539
Other payables	44,992	59,803
GST payable	708	242,356
Interest payable	149,692	358,975
Amount payable to related parties	1,940	2,440
	523,070	953,113
NON CURRENT		
Trade payables	-	121,600

Trade payables are non-interest bearing and are normally settled on 60-day terms. Other payables are non-interest bearing and have an average term of 3 months.

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 13 INTEREST BEARING LIABILITIES

	2018 \$	2017 \$
CURRENT		
Loans – secured [1][2][3]	2,000,000	6,032,357
Insurance funding - unsecured	50,249	50,579
	2,050,249	6,082,936
NON-CURRENT		
Loans – secured [1][2][3]	4,894,950	3,200,000
	4,894,950	3,200,000
The carrying amounts of assets pledged as security are:		
Inventories	2,705,593	3,805,562
	2,705,593	3,805,562

[1] The loans are secured by a general security deed as well as specific inventories assets of the group.

[2] Includes loan in APMF Victoria Pty Ltd.

[3] Includes loans with APMF NSW Pty Ltd.

NOTE 14 PROVISIONS

Employee benefits	8,040	97,166
<i>Amounts not expected to be settled within the next 12 months</i>		
<p>The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.</p>		
Employee benefits obligation expected to be settled after 12 months	8,040	22,540
	8,040	22,540

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 15 INCOME TAX

NON-CURRENT

	Opening Balance	Charged to Income	Charged to Equity	Opening Balance Adjustment	Closing Balance
Deferred tax asset	\$	\$	\$	\$	\$
Provisions	90,641	(49,364)	-	-	41,276
Trade and other payables	12,050	(776)	-	-	11,274
Borrowing costs	69,120	12,268	-	-	81,388
Others	-	-	-	-	-
Tax losses	2,420,389	699,217	-	-	3,119,606
Deferred tax assets not brought to account	(1,021,042)	(1,127)	-	-	(1,022,168)
Balance at 30 June 2018	1,571,158	660,218	-	-	2,231,376
Deferred tax asset					
Provisions	459,216	(368,575)	-	-	90,641
Trade and other payables	(22,341)	34,391	-	-	12,050
Borrowing costs	(52,630)	121,750	-	-	69,120
Others	62,740	(62,740)	-	-	-
Tax Losses	2,748,842	(328,453)	-	-	2,420,389
Deferred tax assets not brought to account	(1,478,154)	467,146	-	-	(1,021,042)
Balance at 30 June 2017	1,717,673	(136,481)	-	-	1,571,158

The company has recognised a net deferred tax asset of \$2,231,376 (2017: \$1,571,158). The company's deferred tax asset, in part, is a result of losses incurred in development projects in the North West of Western Australia and other development property projects delivered under the National Rental Affordability Scheme. The Company is now nearing the end of delivering its development projects.

On the 26th October 2012 the Company had a change in ownership of more than 50% and therefore uses the "Same Business Test" to test the deductibility of carried forward losses. The company believes that the conditions allowing the deductibility of the carried forward losses of \$8,766,305 under the same business test (SBT) method have been met as at 30 June 2018. Should the SBT not satisfied at the time been tested, the carried forward losses will not be able to be utilised.

**NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
NOTES 16 ISSUED CAPITAL		
92,707,553 (2017: 92,707,553) fully paid ordinary shares	19,556,370	19,556,370

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

a. Movement in ordinary shares capital:

	Number	\$
At 1 July 2017	92,707,553	19,556,370
Shares issued	-	-
Balance at 30 June 2018	92,707,553	19,556,370
At 1 July 2016	92,707,553	19,556,370
Shares issued	-	-
Balance at 30 June 2017	92,707,553	19,556,370

NOTE 17 CASHFLOW INFORMATION

	2018	2017
	\$	\$
a. Reconciliation of net cash flows from operating activities to loss after income tax:		
(Loss) / profit after income tax	(1,681,152)	307,795
Non-cash flows from operating activities:		
Capitalised development costs written off	463,602	151,400
Depreciation and amortisation	15,843	17,963
Loss on disposal of fixed assets	41,334	-
Provision for doubtful debts	121,500	267,316
Impairment loss	1,078	-
Amortisation of borrowing costs	-	41,675
<i>Movement in working capital</i>		
Trade and other receivables	1,041,586	(829,124)
Inventories	636,368	3,307,317
Other assets	(9,042)	8,579
Trade payables and accruals	(411,484)	(1,175,276)
Interest payable	(87,683)	318,400
Deferred tax asset	(660,218)	151,361
Net cash (used in) / generated by operating activities	(528,268)	2,567,406

NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 18 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors has considered the business from both a geographic and business segment perspective and has identified one reportable segment. The identifiable reportable segment is the delivery and management of dwellings and incentives regarding the National Rental Affordability Scheme (NRAS) for the domestic Australian market.

The Group is domiciled in Australia and all operating activities are located in Australia. All revenue from external customers is from customers located in Australia. Segment revenues are allocated based to the country in which the customer is located.

The Group has a large number of customers to which it provides both products and services. The Group does not rely on any single customer for a significant portion of revenues.

NOTE 19 COMMITMENTS

Capital commitments

The Group has the following capital commitments at reporting date:

	2018	2017
	\$	\$
Capital expenditure projects	-	418,701

Operating lease commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

Within one year	33,010	84,563
After one year but not more than five years	58,656	14,784
	91,666	99,347

The property lease is a non-cancellable lease with a two-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by the CPI annually on each anniversary.

The Equipment Lease is a non-cancellable lease with a 5 year term with rent payable monthly in arrears.