

Pushpay®

2016 Annual Report

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Investor Calendar

The following dates are indicative only and are subject to change at Pushpay's discretion.

13 July 2016	Quarterly Operational Update
14 July 2016	Annual Shareholders' Meeting
12 October 2016	Quarterly Operational Update
23 November 2016	Interim Results/Report
11 January 2017	Quarterly Operational Update

Performance highlights

	FY 2015	FY 2016	% Change
<i>Revenue from continuing operations</i>	\$1.84m	\$14.97m	▲ 713.42%
<i>ACMR</i>	\$5.33m	\$29.08m	▲ 445.59%
<i>Total Merchants</i>	996	3,766	▲ 278.11%
<i>Average Revenue Per Merchant (ARPM)</i>	\$491 per month	\$643 per month	▲ 30.96%
<i>Months to Recover Customer Acquisition Cost (CAC)</i>	<12 months	<12 months	✓
<i>Annual Revenue Retention Rate</i>	>95%	>95%	✓
<i>Staff Headcount</i>	68	215	▲ 216.18%
<i>Cash and Available Funding Lines</i>	\$4.32m	\$16.16m	▲ 274.07%

Key metrics

Annualised Committed Monthly Revenue (ACMR)

ACMR is Average Revenue Per Merchant (ARPM) multiplied by its Merchants and annualised, a 'Merchant' is a business or organisation that utilises Pushpay's payment platform to process electronic transactions. ACMR is a key metric to track how a SaaS business is acquiring revenue.

Note: Pushpay previously reported its ACMR split into Merchant ACMR and Client ACMR (Run The Red). As Pushpay sold the Run The Red business on 31 March 2016, the Company will not be reporting Client ACMR (Run The Red) going forward. Merchant ACMR will be referred to as ACMR going forward.

Total Merchants

Pushpay reports Merchants that have entered into an agreement and completed the paperwork necessary to setup their facility. A 'Merchant' is a business or organisation that utilises Pushpay's payment platform to process electronic transactions.

Average Revenue Per Merchant (ARPM)

Pushpay calculates ARPM using a combination of subscription fees and volume fees. Subscription fees are based on the size of the Merchant and volume fees are based on payment transaction volume. Volume fees include interchange fees, which are collected by the Company on behalf of third parties, such as Visa or MasterCard. In order to remove the seasonal effect on volume fees the last 12-month average volume fee per Merchant is used for the volume fee component of ARPM.

Customer Acquisition Cost (CAC)

CAC is calculated as sales, marketing and implementation costs divided by the number of new Merchants added over a certain period of time.

Months to Recover CAC

CAC months or months of ARPM to recover CAC represents the number of months of revenue

required to recover the cost of acquiring each new Merchant.

Annual Revenue Retention Rate

Pushpay measures its Annual Revenue Retention Rate as recurring revenue retained from Merchants (for example, in the case of Merchants in the faith sector, this is measured by the amount of recurring revenue at the end of the period excluding upsells into the existing Merchant base, over the amount of recurring revenue from the end of the previous period).

Staff Headcount

Pushpay's employees at a specific point in time. The Staff Headcount as at 31 March 2016 does not include the six Run The Red employees who transferred their employment to Modica Group on 31 March 2016.

Cash and Available Funding Lines

This includes the standby funding facility of up to \$4.0 million provided on 16 March 2015 to Pushpay by Christopher & Banks and the \$4.0 million paid at completion of the sale of the Run The Red business on 31 March 2016.



Members of Pushpay's Auckland-based Development Team



Bruce Gordon - Chairman and Chris Heaslip - CEO, Executive Director and Co-founder

Chairman and Chief Executive report

Dear fellow shareholder,

Pushpay has continued to deliver phenomenal growth coupled with exemplary SaaS metrics as it executes on its strategic growth plan in the USA faith sector. Pushpay has increased its leading metric, Annualised Committed Monthly Revenue (ACMR), by a staggering \$23.75 million to \$29.08 million over the year to 31 March 2016, an increase of 445.59%. This growth was achieved whilst maintaining best of breed efficiency metrics, including a greater than 95% Annual Revenue Retention Rate and less than 12 Months to Recover the Customer Acquisition Cost (CAC). Revenue from continuing operations increased by \$13.13 million to \$14.97 million over the year to 31 March 2016, an increase of 713.42%. Pushpay's net loss increased by \$11.92 million to \$19.40 million, an increase of 159.36% as Pushpay continues to invest in scaling its business.

Throughout the year to 31 March 2016, Pushpay has remained focused on gaining market share in the USA faith sector, delivering on our targets and continuing to invest in our people, product and processes. The Company now has over 1% of the USA faith sector, including four of the top 10 largest churches in the USA¹ and has quickly become the dominant player in the market, which consists of over 314,000 churches with an average size of over 500 attendees.²

1 Outreach Magazine (2015). The Largest Churches 2015
2 US Census Bureau (2012). Statistical Abstract of the United States: 2012

Pushpay now expects to reach its \$100 million ACMR target prior to the end of February 2018, six months sooner than previously anticipated. While Pushpay believes that it is preferable to focus on and invest in growth as the best means to achieve overall value in its business, we are also conscious of the importance of reaching cash flow breakeven. As we continue to invest in scaling the business our current business plan implies the business reaching breakeven on a monthly cash flow basis in calendar year 2017.

Our clear growth strategy, investment in people, product and processes combined with the large under-served target market of the USA faith sector has driven our success to date.

Annualised Committed Monthly Revenue (ACMR)

The Company increased ACMR by \$23.75 million to \$29.08 million over the year to 31 March 2016, an increase of 445.59%. Pushpay is pleased to have exceeded its target to increase ACMR by over 100% to \$28.00 million in the six months to 31 March 2016.

Pushpay continues to make rapid and targeted progress in the USA faith sector and expects to reach its \$100 million ACMR target prior to the end of February 2018, based on further development of its product, direct sales, referrals strategy and through targeting Merchants that have existing relationships with Pushpay's strategic channel partners and other distribution partners.

We continue to refine our growth strategy, focusing on attracting larger Merchants which have the resources to maximise implementation, which in turn increases engagement and leads to higher retention. To complement this, Pushpay is investing in a more targeted marketing strategy, shifting away from transactional sales techniques towards relational sales techniques.

Attracting a higher number of larger Merchants will increase our ACMR growth while also increasing our Annual Revenue Retention Rate over time.

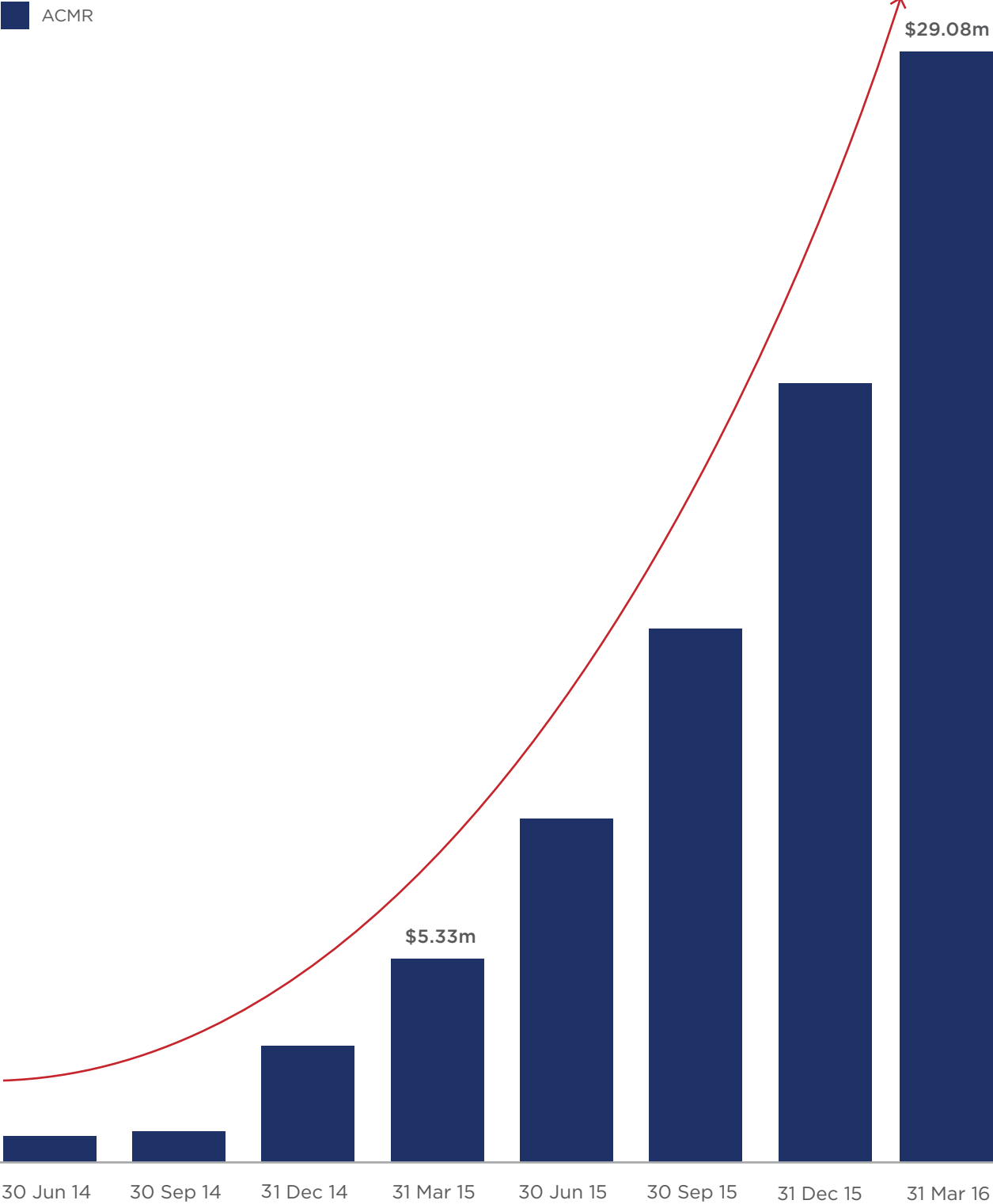
If we see opportunities to further refine our growth strategy to attain the \$100 million ACMR target sooner, we will position ourselves to take advantage of those opportunities.

Recently, there has been a shift in technology investors' expectations, which has been reflected in valuations globally. Growth for growth's sake is no longer acceptable, with technology companies being punished by the market for "sloppy" growth.³ At Pushpay, we are proud to have sustainable, smart growth evidenced by our sales efficiency, best in class retention and commitment to reach breakeven on a monthly cash flow basis in calendar year 2017.

"Pushpay continues to make rapid and targeted progress in the USA faith sector and expects to reach its \$100 million ACMR target prior to the end of February 2018."

3 TechCrunch (2016). Tech Valuations In 2016: The End Of The Line For Sloppy Growth

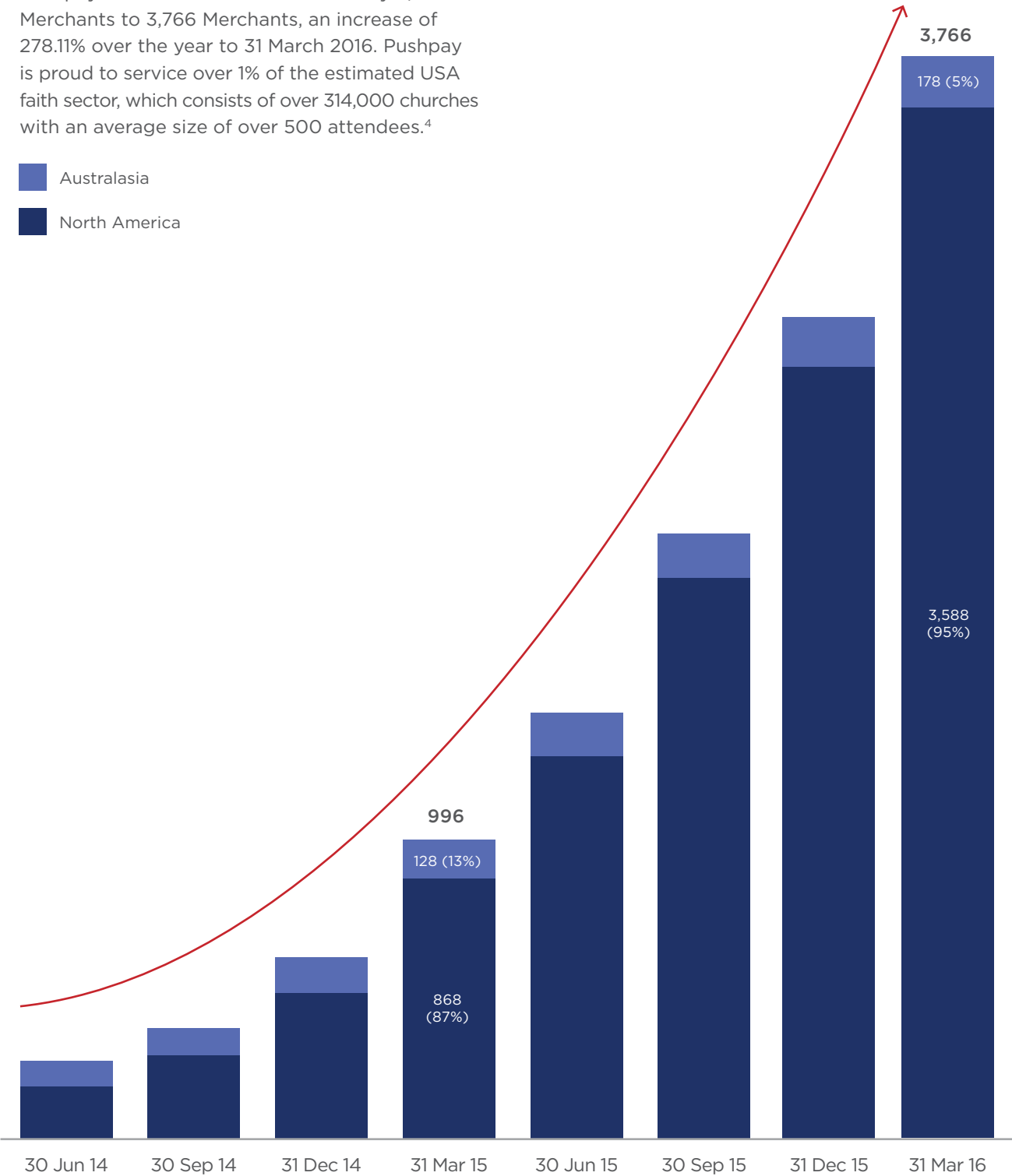
Pushpay's ACMR growth



Pushpay’s Merchant numbers

Pushpay increased its customer base by 2,770 Merchants to 3,766 Merchants, an increase of 278.11% over the year to 31 March 2016. Pushpay is proud to service over 1% of the estimated USA faith sector, which consists of over 314,000 churches with an average size of over 500 attendees.⁴

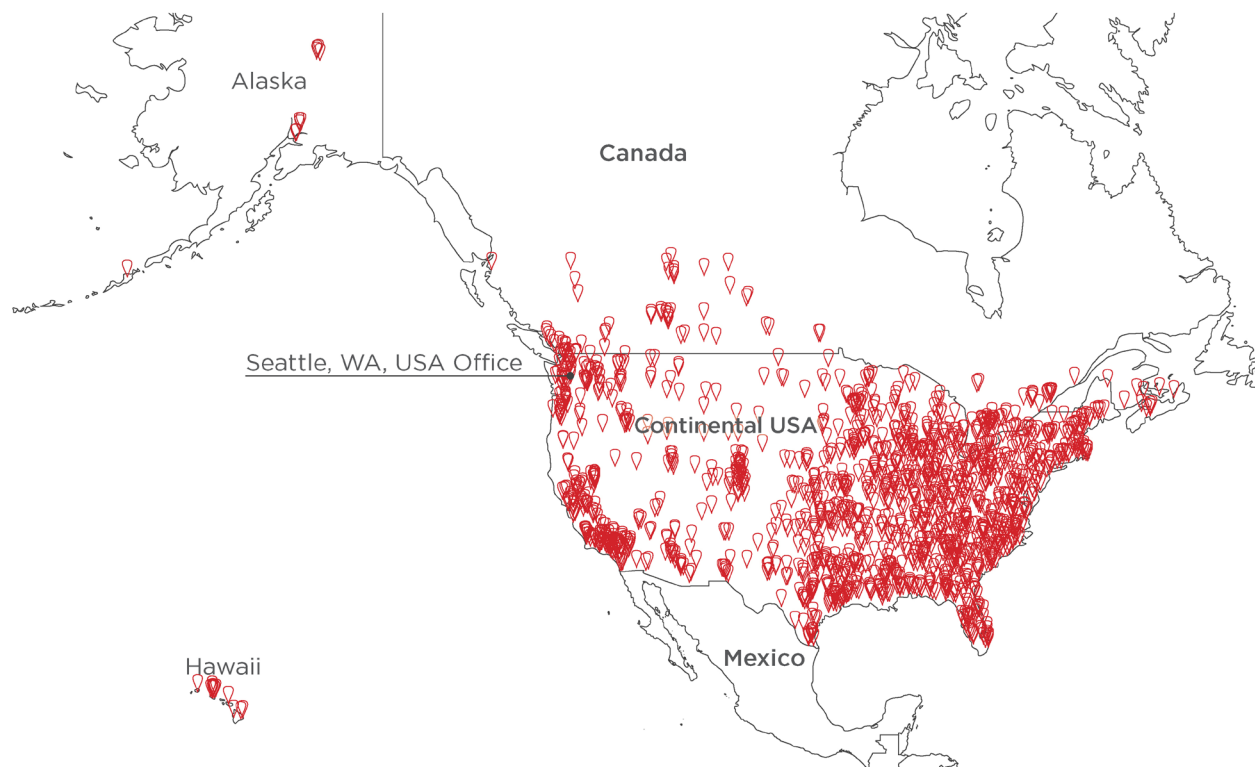
- Australasia
- North America



4 US Census Bureau (2012). Statistical Abstract of the United States: 2012

Locations of Pushpay's Merchants in North America⁵

📍 Merchant



As at 31 March 2016, 95% of Merchants are located in North America, which covers the USA and Canada, with the remaining 5% located in Australasia, which covers New Zealand and Australia. The map above illustrates Pushpay's ability to attract Merchants from all over the USA and Canada, suggesting the business model is not location specific.

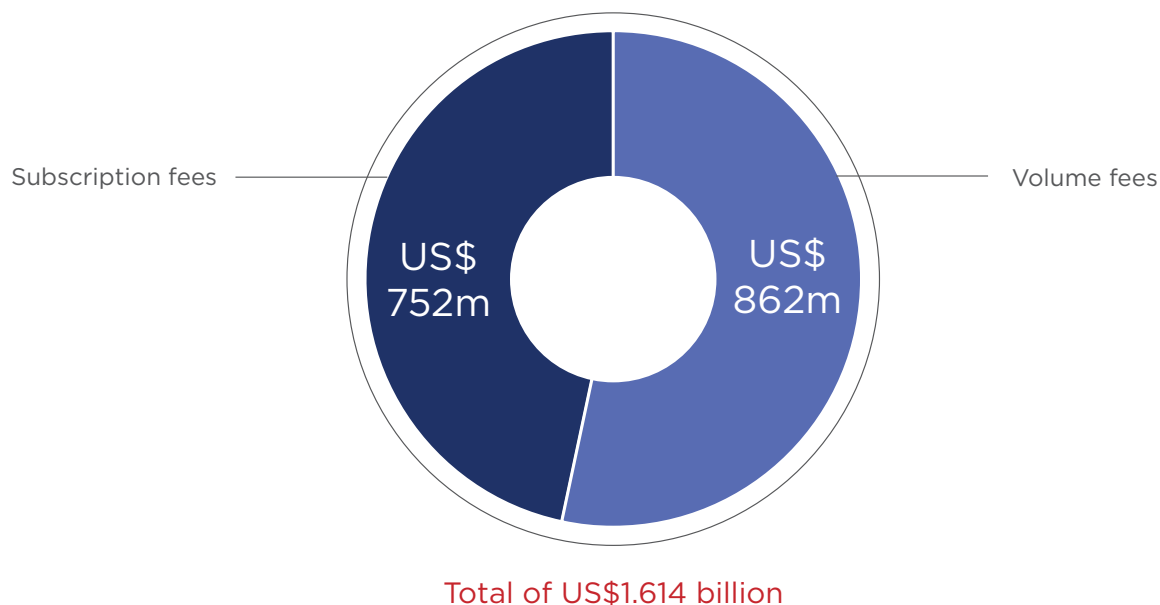
Additionally, four of the top 10 largest churches in the USA⁶ have chosen to use Pushpay, the largest of which has over 34,000 attendees. The confidence and support of large Merchants such as these, demonstrates that Pushpay's payment solutions are well-understood by the USA faith sector.

“Four of the top 10 largest churches in the USA have chosen to use Pushpay, the largest of which has over 34,000 attendees.”

⁵ Includes locations in North America of all Merchants which have been added to the Pushpay platform since inception through to 31 March 2016.

⁶ Outreach Magazine (2015). The Largest Churches 2015

USA faith sector revenue opportunity



There is a very large revenue opportunity in the USA faith sector that Pushpay estimates to be around US\$1.614 billion, assuming 30% of digital giving based on US\$114.90 billion total giving to religious organisations in 2014.⁷

Average Revenue Per Merchant (ARPM)

In New Zealand Dollars (NZD), ARPM increased by NZD\$152 per month to NZD\$643 per month, an increase of 30.96% over the year to 31 March 2016. In United States Dollars (USD), ARPM increased by USD\$67 per month to USD\$434 per month, an increase of 18.26% over the year to 31 March 2016.

People, product and processes

Pushpay's success to date in the USA faith sector is a testament to the continuous investment in its people, product and processes. Pushpay has an extremely dedicated, high-quality team of professionals with true conviction in the work that they do at Pushpay. Pushpay continues to nurture and invest in its team of professionals, having increased staff headcount by 147 to 215, an increase of 216.18% over the year to 31 March

2016. Around half of the new hires were in sales and marketing related roles.

Shane Sampson joined Pushpay as Chief Financial Officer in October 2015, following an international search that generated extensive interest in the position. Shane's strong commercial acumen and broad strategic outlook have made him a valuable and crucial addition to our senior management team.

Peter Huljich has been appointed to an executive role as Head of Corporate Development, to provide internal planning, project management and execution resource for significant projects. Due to his new executive role, Peter has resigned as an alternate director for Christopher Huljich. Christopher Huljich remains a director of Pushpay.

At Pushpay, we strive for continuous improvement in our processes. Internally, across all positions and departments we are constantly looking for ways to streamline and improve processes. The ability to adapt and embrace change is a significant advantage in a rapidly growing business like Pushpay.

During the financial year we launched some exciting additions to the Pushpay solution,

7 Giving USA (2015). Giving USA 2015: Annual report on philanthropy for the year 2014

including Event Registration, 3D Touch, echurch™ Apps, Pushpay Fastpay™ and Virtual Terminal/Envelope Giving. Pushpay continues to invest heavily in new innovative product features, which will contribute to further ARPM growth and assist the Company in gaining further market share.

Event Registration is a professionally designed and intuitive solution that allows churches to concentrate on making their events as great as they can be, instead of worrying about tracking registration or taking payment. From signups and registration, to collecting payments, and all the way through the reporting process, it represents a premium events offering. Offered to our churches as part of the echurch proposition Event Registration further strengthens the Pushpay giving solution, attracting new Merchants and increasing retention.

3D Touch built-in support was released by Pushpay for Apple devices enabled with 3D touch. Pushpay has utilised this technology to make repeat payments through the platform even simpler, faster and more intuitive. iPhone 6s users can force press the Pushpay icon and open up a quick launch menu providing them with the ability to quickly make a repeat payment to their favourite Merchant.

echurch™ Apps is a custom app building solution that allows churches to create and customise their own branded apps for iOS and Android. echurch™ Apps is a valuable feature in Pushpay's complete giving solution that further enhances the Pushpay giving experience. This custom app platform with an integrated Pushpay payment experience, provides a powerful tool for our Merchants and has been widely adopted.

Pushpay Fastpay™ allows app vendors to integrate a five-second giving experience into their mobile apps with very little configuration. This revolutionary giving experience is designed to integrate into mobile app giving experiences and is being made available automatically to all echurch™ App customers. Pushpay believes that faster, simpler and more intuitive payments

will lead to a higher level of adoption from our Merchants' users. We will continue to expand Pushpay Fastpay™ to facilitate additional types of digital payments.

Virtual Terminal/Envelope Giving expands Pushpay's digital giving feature set for our main target market – the USA faith sector. This feature allows church administrators to process envelope-based credit card, debit card and ACH payments through Pushpay (ACH payments in the USA are similar to direct debits in New Zealand). Not only does this result in additional processing volume through a valuable yet previously underserved segment, but Pushpay's technology also drives envelope-based givers towards our mobile experience, which leads to an increase in usability and a higher frequency of giving.

Industry recognition

Pushpay's many accolades reflect the high calibre of our people, product and processes. Our success is a testament to the Pushpay team's dedication and commitment to excellence and we are extremely proud of our award-winning team.

Pushpay was presented a Silver Award at the World 2016 App Design Awards and was awarded four Stevie Awards in 2016 including a Silver Award in the Customer Service Department of the Year category. Pushpay is ranked 1st on the TIN100 ASB Ten Hot Emerging Companies List and Pushpay's co-founders Chris Heaslip and Eliot Crowther are the EY Entrepreneur Of The Year 2015 New Zealand Young category winners.

Change in presentation currency

For reporting periods commencing on or after 1 April 2016, Pushpay will be changing the presentation currency for its consolidated financial statements to USD from NZD and will also report key metrics in USD. This accounting policy change is allowed under the relevant financial reporting standard, NZ IAS 21, and is being made to assist users of the financial



statements to assess the performance of the business, by reducing the impact of exchange rate movements on reported financial results and key metrics.

Pushpay is a New Zealand company listed on the NZX Main Board operated by NZX Limited and has historically presented its financial statements and key metrics in NZD. Rapid growth of the Company's USA Merchant base means that most revenue is now denominated in USD and the majority of costs are also in USD. In addition, Pushpay sold the Run The Red business on 31 March 2016. Run The Red comprised most of the group's non-USD denominated revenues and the sale of that business means the proportion of non-USD denominated revenues and expenses will fall further from 1 April 2016.

The 31 March 2016 consolidated financial statements are presented in NZD for consistency with prior periods and the 30 September 2016 Interim Report will be the first of Pushpay's financial statements to be presented in USD.

For announcements to the market and reports to shareholders in relation to periods commencing on or after 1 April 2016 which include comparable financial information previously reported in

a currency other than USD, the comparable financial information will be restated to USD. Consistent with the requirements of NZ IAS 8, the first set of financial statements after the change in accounting policy will also include information on the effects of the policy change on the financial statements.

Capital and ASX Listing

Pushpay ended the year with Cash and Available Funding Lines of \$16.16 million, an increase of \$11.84 million or 274.07% over the year to 31 March 2016.

Pushpay was well supported over the period by existing and new shareholders including Directors Bruce Gordon, Graham Shaw, Christopher Hулjich, Peter Hулjich (Alternate Director for Christopher Hулjich - resigned 17 May 2016), a number of staff and Pie Funds Management - a top performing boutique fund manager.

Pushpay secured funding throughout the year from a number of sources including a Research and Development (R&D) Project Grant in June 2015 from Callaghan Innovation with a total possible allocation of \$0.96 million. In addition,

Pushpay successfully raised \$13.78 million in June 2015 through a fully underwritten Entitlement Offer and just months following, raised a further \$18.82 million in October 2015 through a Private Placement. Pushpay also sold its SMS gateway business, Run The Red, to Modica Group for an aggregate value of \$4.50 million in March 2016.

Funds raised over the period will continue to provide Pushpay with the funding to further develop our product offering and as working capital to accelerate growth in international markets, focusing on our key target territory – the USA.

The Board believes it prudent to prepare for future funding requirements and, accordingly, is in discussions with a number of USA-based venture capital firms who the Board believes have the potential to add significant value to Pushpay. In parallel, Pushpay is exploring a number of other capital raising opportunities with investment banks based in both Australia and the USA. The Board currently expects that in excess of \$30 million is likely to be raised within the next four months. Pushpay has also had preliminary discussions with ASX about a potential ASX listing and, subject to satisfying ASX's listing criteria, the Board's current intention is to seek an ASX listing within the next six months.

Migration and share split

Pushpay migrated to the NZX Main Board on 9 June 2015 having ceased quotation of its shares on the NZX Alternative Market on 8 June 2015. This marked a significant milestone for Pushpay.

Pushpay completed a 4:1 share split on 8 February 2016. After the share split, Pushpay

shareholders held four fully paid ordinary shares for each fully paid ordinary share held by them at 5:00 pm on the record date of 5 February 2016.

Following the migration and share split, Pushpay has seen increased liquidity, shareholder numbers and exposure in the investment community.

Outlook

The year to 31 March 2016 was exciting and successful and we are proud of the progress Pushpay has made. We are in a prime position to execute on our growth strategy and continue to work towards our target of reaching \$100 million of ACMR prior to the end of February 2018, six months earlier than previously forecast.

The board is pleased with the financial result and while Pushpay believes that it is preferable to focus on and invest in growth as the best means to achieve overall value in its business, we are also conscious of the importance of reaching cash flow breakeven. As we continue to invest in scaling the business our current business plan implies the business reaching breakeven on a monthly cash flow basis in calendar year 2017.

Acknowledgments

Pushpay continues to deliver on its growth plan in the USA faith sector with the direction of the board and management's successful execution. On behalf of the board and management, we would like to thank our dedicated staff for their expertise and hard work, our Merchants for choosing to partner with us, and you, our shareholders for your continued confidence and support.



Bruce Gordon
Chairman



Chris Heaslip
CEO, Executive Director and Co-founder

Board of Directors



Bruce Gordon Independent Chairman

Bruce Gordon has over 23 years' of governance and commercial experience in senior positions with both SMEs and Corporate Organisations across Asia Pacific, the UK and the USA.

He currently serves as Chief Executive of Eco-Products Group (trading as HRV) and has expertise in retail, banking, finance and electronic payments.

A pioneer of many of the electronic banking services that consumers now enjoy, Bruce was Chairman of Electronic Transaction Services (now Paymark), Chief Manager Electronic Banking and Payments at Bank of New Zealand and has held senior roles at Retail Financial Services (trading as Farmers Credit), National Australia Bank, ASB Bank and The Warehouse Group. He has extensive board experience including The Warehouse Financial Services, The Merino Company of New Zealand, and Bendon Group.

Bruce specialises in achieving strategic growth for companies and the restructuring of under-performing entities. He is a Fellow of FINSIA and holds an MBA and a PGDipBus (Information Systems) both from the University of Auckland. Bruce lives with his family in Auckland.



Graham Shaw Independent Director

Graham is a chartered accountant with over 30 years' experience in business. He sits on a number of corporate and not-for-profit boards, and has extensive SaaS governance experience from being on the board of Xero for eight years and more recently Gentrack.

He spent 10 years with KPMG primarily as an advisor to businesses. He then joined Works Infrastructure where he held a number of finance roles before being appointed Chief Executive Officer, leading the company to substantial growth and successful expansion into Australia. Graham has also been Chief Executive Officer of Kensington Swan, one of New Zealand's national law firms.

Graham has a BCom from the University of Canterbury, is a Member of Chartered Accountants Australia and New Zealand, a Chartered Member of the Institute of Directors in New Zealand, a Fellow of the New Zealand Institute of Management and a Companion of the Institution of Professional Engineers New Zealand. Graham lives with his family in Wellington.



Christopher Hujich Non-Executive Director

Christopher Hujich was the co-founder of Best Corporation which floated on the NZX in 1991, and was subject to a takeover by the Danone Group in 1995.

He has over 40 years' experience in both commercial and residential property in New Zealand and Australia, including large scale commercial, industrial and residential developments and has business interests in many listed and unlisted companies in New Zealand and Australia.

Christopher is the Managing Partner of Christopher & Banks Private Equity and has invested in many SaaS-based companies, including the sole pre-IPO funding for Diligent Board Member Services. He is also the co-founder of the Hujich Foundation which aims to provide memorable experiences for children suffering from life threatening disease.

Christopher brings immense business knowledge across many industries as well as good strategic appreciation and vision. Chris lives with his family in Auckland.



Douglas (Doug) Kemsley Non-Executive Director

Doug has more than 25 years' experience as an investor and director of software and technology companies in New Zealand.

Doug was a co-founder and director of CA-Systems, a \$1,200 start-up which sold to MYOB for \$22 million in 1999. During his time as Chairman of Maxnet, the company grew from a start-up internet service provider to become a leading data centre and cloud services provider and was subsequently acquired by Vocus Communications in 2012.

Outside of his investment in Pushpay, Doug is passionate about a number of causes in New Zealand and Nepal. Formerly, a helicopter pilot in the Royal New Zealand Air Force and an administrator of a community health program in Nepal, Doug lives with his family in Hamilton.



Christopher (Chris) Heaslip
Chief Executive Officer, Executive
Director and Co-Founder

Chris Heaslip is the Chief Executive Officer (CEO) and Co-Founder of Pushpay. Along with Co-Founder Eliot Crowther, Chris envisioned an integrated Consumer friendly cloud-based mobile commerce solution that could simultaneously provide a platform for increased sales and revenue, while simplifying business processes and reducing costs.

Chris has worked in and for a number of SMEs and Corporate Organisations to develop effective and efficient systems and optimal accounting treatment.

He has previously served as CEO of an accounting and tax consultancy and prior to that as a tax management professional and business adviser at KPMG. Chris was also an investigator at the New Zealand Inland Revenue Department.

Chris is an accountant by vocation, with a BCom (Accounting), DipCom (Taxation and Law) and a MCom Hons (Taxation) all from the University of Auckland. Chris lives with his family in Seattle in the USA.



Eliot Crowther
Sales, Executive Director and Co-
Founder

Eliot Crowther is a Co-Founder of Pushpay and is a proven sales professional with several years' experience working in commercial high value sales. Eliot co-founded Pushpay after realising there was a significant opportunity to aggregate mobile commerce tools to enable Merchants to efficiently and effectively communicate and transact with Consumers. Eliot helps drive Merchant growth and Consumer engagement through targeted product offerings.

Prior to co-founding Pushpay, Eliot was a leading sales executive at HRV, the home ventilation business. His in-depth understanding of the sales process and mobile commerce was essential in establishing two of Pushpay's key vertical markets, the Faith Sector and Non-Profit Organisations (NPOs). Eliot is now focused on executing Pushpay's strategy to adapt its mobile commerce solutions to expand into SMEs and Corporate Organisations.

Eliot, a former New Zealand representative in cycling, holds a DipAppSc from AUT University and lives with his family in Seattle in the USA.

Independent Auditor's Report

To the shareholders of Pushpay Holdings Limited,

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Pushpay Holdings Limited and its subsidiaries ('the Group') on pages 18 to 43, which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the company's shareholders, as a body. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Board of Directors' Responsibility for the Consolidated Financial Statements

The Board of Directors are responsible on behalf of the company for the preparation and fair presentation of these consolidated financial statements, in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Board of Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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

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

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

Other than in our capacity as auditor of these consolidated financial statements, agreed upon procedures performed on the interim financial statements and the provision of taxation services, we have no relationship with or interests in Pushpay Holdings Limited or any of its subsidiaries. These services have not impaired our independence as auditor of the Group.

Opinion

In our opinion, the consolidated financial statements on pages 18 to 43 present fairly, in all material respects, the financial position of Pushpay Holdings Limited and its subsidiaries as at 31 March 2016, and their financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.



Chartered Accountants

18 May 2016

Auckland, New Zealand

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2016

		2016	2015
	Notes	\$'000	\$'000
Continuing operations			
Revenue			
Operating revenue		14,771	1,729
Other income		196	111
Total revenue and other income	3	14,967	1,840
Product development and maintenance		(4,668)	(2,003)
Direct costs, sales & marketing		(23,829)	(3,807)
General and other administration		(6,540)	(4,127)
Net foreign exchange gains		231	163
Total expense and other gains and losses	4	(34,806)	(9,774)
Net loss before tax		(19,839)	(7,934)
Tax (expense)/benefit	5	(386)	312
Net loss for the year from continuing operations		(20,225)	(7,622)
Net profit for the year from discontinued operations	20	830	144
Net loss for the year		(19,395)	(7,478)
Other comprehensive income			
Exchange differences on translation of international operations		(16)	(99)
Total comprehensive loss attributable to the shareholders of the Company		(19,411)	(7,577)
Loss per share			
Basic and diluted (loss) per share (cents) from continuing and discontinued operations	14	(8.60)	(4.05)
Basic and diluted (loss) per share (cents) from continuing operations	14	(8.60)	(4.05)

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2016

	Share capital	Foreign currency translation reserve	Share based payment reserve	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2015	16,427	(60)	193	(9,689)	6,871
Net loss	-	-	-	(19,395)	(19,395)
Currency translation movements	-	(16)	-	-	(16)
Total comprehensive loss	-	(16)	-	(19,395)	(19,411)
<i>Transactions with owners:</i>					
Issue of shares	32,932	-	-	-	32,932
Capital raising costs	(282)	-	-	-	(282)
Share based payments	-	-	76	-	76
Balance as at 31 March 2016	49,077	(76)	269	(29,084)	20,186
Balance at 1 April 2014	1,860	39	92	(2,211)	(220)
Net loss	-	-	-	(7,478)	(7,478)
Currency translation movements	-	(99)	-	-	(99)
Total comprehensive loss	-	(99)	-	(7,478)	(7,577)
<i>Transactions with owners:</i>					
Issue of shares	12,690	-	-	-	12,690
Conversion of preference shares	2,000	-	-	-	2,000
Capital raising costs	(123)	-	-	-	(123)
Share based payments	-	-	101	-	101
Balance as at 31 March 2015	16,427	(60)	193	(9,689)	6,871

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 31 March 2016

		2016	2015
Assets	Notes	\$'000	\$'000
Current assets			
Cash and cash equivalents	8	12,181	251
Trade and other receivables	9	3,628	2,205
Total current assets		15,809	2,456
Non-current assets			
Property, plant and equipment	6	2,769	572
Intangible assets	7	4,132	3,945
Goodwill	7	-	2,423
Long term receivable	9	69	69
Restricted cash balances	9	2,113	73
Total non-current assets		9,083	7,082
Total assets		24,892	9,538
Liabilities			
Current liabilities			
Trade and other payables	10	4,185	2,498
Employee benefits	11	394	169
Provision for tax	5	127	-
Total current liabilities		4,706	2,667
Total non-current liabilities		-	-
Total liabilities		4,706	2,667
Net assets		20,186	6,871
Equity			
Share capital	12	49,077	16,427
Foreign currency translation reserve	15	(76)	(60)
Share based payment reserve	15	269	193
Accumulated losses		(29,084)	(9,689)
Total equity		20,186	6,871

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2016

		2016	2015
	Notes	\$'000	\$'000
Cash flows from operating activities			
Cash was provided from (applied to):			
Receipts from customers		19,145	3,496
Payment to suppliers & employees		(36,034)	(10,320)
Interest received		93	86
Net cash inflow/(outflow) from operating activities	21	(16,796)	(6,738)
Cash flows from investing activities			
Cash was provided from (applied to):			
Proceeds from sale of property, plant and equipment		-	1
Purchase of property, plant and equipment		(2,616)	(552)
Capitalised development costs and intangible assets		(3,082)	(1,432)
Purchase of business – Run The Red		-	(3,600)
Disposal of business – Run The Red	20	3,961	-
Restricted cash balances		(2,040)	(73)
Net cash inflow/(outflow) from investing activities		(3,777)	(5,656)
Cash flows from financing activities			
Cash was provided from (applied to):			
Issue of ordinary shares (net of costs)		32,312	10,000
Net cash inflow/(outflow) from financing activities		32,312	10,000
Net increase/(decrease) in cash held		11,739	(2,394)
Foreign currency translation adjustment		191	(101)
Add cash and cash equivalents at start of year		251	2,746
Balance at end of year	8	12,181	251
Comprised of:			
Cash and cash equivalents		12,181	251
Total cash and cash equivalents on hand	8	12,181	251

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2016

1. Corporate information

Pushpay Holdings Limited (the “**Company**” or “**Pushpay**”) is a limited liability company, domiciled and incorporated in New Zealand and registered under the Companies Act 1993. The registered office of the Company is Level 6, 167 Victoria Street West, Auckland 1010, New Zealand.

The financial statements presented are for Pushpay and its subsidiaries (together, the “**Group**”) for the year ended 31 March 2016.

Pushpay is a FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013 and is listed on the New Zealand Stock Exchange (“**NZX**”).

The financial statements for the year ended 31 March 2016 were authorised for issue in accordance with a resolution of the Directors on 18 May 2016.

The Group's principal activity is the provision of a platform for mobile commerce and electronic payments and tools for merchants to engage with consumers.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (“**NZ GAAP**”). They comply with New Zealand equivalents to International Financial Reporting Standards (“**NZ IFRS**”) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial statements comply with International Financial Reporting Standards (“**IFRS**”).

(a) Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to each period presented, unless otherwise stated.

The financial statements have been prepared in accordance with the requirements of the NZX Main Board Listing Rules, the Financial Markets Conduct Act 2013, the Financial Reporting Act 2013 and the Companies Act 1993.

The financial statements are presented in thousands of New Zealand Dollars.

(b) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. There are areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements.

Key sources of estimation uncertainty and key judgments

Judgments made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates are in the relevant notes to the financial statements.

Key sources of estimation, uncertainty and judgment include:

- The application of the going concern assumption (see Note 23); and
- Determining whether the intangible assets to which the development expenditure relate are not economically viable in the future and whether the development expenditure asset could therefore be overstated (see Note 7).

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be measurable under the circumstances.

(c) Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous year.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has the rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Subsidiaries are consolidated from the date the Company obtains control. They are de-consolidated from the date that control is lost. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred for an acquisition is measured as the fair value of the assets given by the Group, equity instruments issued and liabilities incurred or assumed by the Group at the date of exchange. Costs directly attributable to the acquisition are recognised in the profit or loss.

At the acquisition date the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Intra-Group transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each subsidiary are measured using the currency of the primary economic environment in which it operates. The consolidated financial statements are presented in New Zealand Dollars, which is the Company's functional currency and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using a monthly exchange rate set at the start of each month as an estimate of the exchange rate prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

(iii) Foreign operations

The results and financial position of all foreign operations that have a functional currency different from New Zealand Dollars are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each profit or loss component of the statement of comprehensive income are translated at average exchange rates for the period; and
- All resulting exchange differences are recognised as other comprehensive income and accumulated in the foreign currency translation reserve.

(f) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services, excluding Goods and Services Tax, Value Added Tax, rebates and discounts. Revenue is recognised as follows:

(i) Provision of services

(a) Subscriptions

The provision of services is recognised in the accounting period in which the services are rendered, by reference to the stage of completion of the specific transaction assessed, on the basis of the actual service provided as a proportion of the total services to be provided. Revenue in advance represents amounts billed to customers in advance of the provision of services and are accounted for as a liability.

Contract acquisition costs such as sales commissions and sales discounts which are directly related to the acquisition of a particular customer, are recognised as an asset and are amortised on a systematic basis consistent with the pattern of transfer of services to which the asset relates.

(b) Merchant fees

Revenues from merchant fees are recognised on a gross basis when the customer has an obligation to pay transaction fees on the related through-put. Associated costs payable to processing banks are classified as expenses.

(ii) Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants whose primary condition is that the Group should purchase, construct, or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

(iii) Interest

Interest revenue is accrued on a time basis by reference to the principal outstanding and using the effective interest rate method.

(g) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in the profit or loss component of the statement of comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of the previous year.

Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefits will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income tax

levied by the same taxation authority on either the same taxable entity or different entities where there is an intention to settle the balance on a net basis.

(h) Goods and Services Tax (GST)

Assets, liabilities, revenues and expenses are stated exclusive of GST, with the exception of receivables and payables, which include GST.

(i) Financial instruments

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

(j) Leases

Operating leases are recognised on a straight-line basis over the lease term. In the event that lease incentives are received, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

(l) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business and measured at amortised cost less any impairment. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Appropriate allowances for estimated irrecoverable amounts are recognised in the profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

(m) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from other suppliers. Accounts payable are classified as current liabilities if it expects to settle the liability in its normal operating cycle or it is due to be settled within 12 months. If not, they are presented as non-current liabilities.

(n) Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight line basis so as to write off the cost of the asset over its expected useful life to its estimated residual value. The following estimates of useful lives are used in the calculation of depreciation:

<i>Category</i>	<i>Estimated useful life</i>
Office equipment	5 years
Computer equipment	3 years
Fixtures and fittings	5-7 years

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the profit or loss.

(o) Intangible assets

Research costs are expensed as incurred. Costs associated with maintaining internal computer software programs are recognised as an expense as incurred. Costs that are directly associated with the development of the software products controlled by the Group are recognised as intangible assets only if all the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use or sale;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the capitalised software development costs include the software development employee costs. Other development expenditures that do not meet these criteria are recognised as expenses as incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period. Computer software development costs recognised as assets are amortised over their estimated useful lives.

Other intangible assets acquired are initially measured at cost. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the profit or loss in the year in which the expenditure is incurred.

The useful lives of the Group's intangible assets are assessed to be finite. Assets with finite lives are amortised over their useful lives and tested for impairment whenever there are indications that the assets may be impaired.

Amortisation is recognised in the profit or loss on a straight-line basis over the estimated useful life of the intangible asset, from the date it is available for use.

The estimated useful lives are:

Trademarks/patents	10 years
Capitalised software development costs	3-5 years
Customer contracts	3 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the profit or loss when the asset is derecognised.

(p) Goodwill

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

(q) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be

impaired. Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Recoverable amount is the greater of fair value less costs to sell or the asset's value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment loss are reviewed for possible reversal of the impairment loss at each reporting date.

(r) Employee benefits

(i) Entitlements

Provision is made for benefits accruing to employees in respects of wages and salaries, annual leave and sick leave, when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(s) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares.

(i) Basic EPS is calculated by dividing the Group profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(ii) Diluted EPS is determined by adjusting the Group profit or loss attributable to ordinary shareholders and the weighted average number of shares outstanding for the effects of any dilutive potential ordinary shares.

(t) Share capital

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(u) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Chief Executive Officer and senior management team (who is the entity's Chief Operating Decision Maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(v) Share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payments are set out in Note 13. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting

period. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the profit or loss over the remaining vesting period, with a corresponding adjustment to the equity-settled share-based payment reserve.

(w) Statement of cash flows

For the purpose of the statement of cash flow, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

The statement of cash flow is prepared exclusive of GST, which is consistent with the method used in the statement of comprehensive income.

Definition of terms used in the cash flow statement:

- (i) Operating activities include all transactions and other events that are not investing or financing activities.
- (ii) Investing activities are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.
- (iii) Financing activities are those activities relating to changes in the equity and debt capital structure of the Group and those activities relating to the cost of servicing the Group's equity.

(x) Adoption of new and revised standards and interpretations

New standards, amendments and interpretations have been published that are not yet effective and have not been early adopted by the Group. Those which may be relevant to the Group are explained below:

- NZ IFRS 9 'Financial Instruments'. This standard will eventually replace NZ IAS 39 Financial Instruments - Recognition and Measurement. It is required to be adopted by the Group in the financial statements for the year ending 31 March 2019. The Group has not yet assessed the impact of this standard.
- NZ IFRS 15 'Revenue from Contracts with Customers'. This standard addresses the recognition of revenue from contracts with customers. It specifies the revenue recognition criteria governing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. It is required to be adopted by the Group in the financial statements for the year ending 31 March 2019. The Group has not yet assessed the impact of this standard.
- NZ IFRS 16 'Leases'. This standard will replace the current guidance in NZ IAS 17. Under NZ IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Under NZ IAS 17, a lessee was required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). NZ IFRS 16 now requires a lessee to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. Included is an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting for leases under NZ IFRS 16 is almost the same. However, as the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. The standard is effective for accounting periods beginning on or after 1 April 2019. Early adoption is permitted but only in conjunction with NZ IFRS 15, 'Revenue from Contracts with Customers'. The group intends to adopt NZ IFRS 16 on its effective date and has yet to assess its full impact.

3. Revenues and other income

	Continuing operations		Discontinued operations	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Sales	14,771	1,729	3,998	3,059
Government grants	107	27	-	-
Interest received	89	84	3	2
	14,967	1,840	4,001	3,061

4. Expenses

	Continuing operations		Discontinued operations	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Operating expenses include:				
Amortisation of intangible assets	948	197	469	430
Bad debts	-	113	-	-
Depreciation of property, plant & equipment	334	84	17	10
Directors fees	156	67	-	-
Employee benefits - defined contribution expense	329	42	19	16
Employee benefits/entitlements	19,846	3,907	639	527
Fees paid to Auditors - audit of acquisition accounting	-	4	-	-
Fees paid to Auditors - audit of financial statements	55	25	-	-
Fees paid to Auditors - half year review	-	9	-	-
Fees paid to Auditors - agreed upon procedures	11	-	-	-
Fees paid to Auditors - tax services	5	5	-	-
Foreign exchange (gains)/losses	(231)	(163)	2	3
Interest paid	-	1	-	-
Lease expenses	795	237	52	46
Loss on disposal of property, plant & equipment	52	-	-	3
Share based payments	73	101	3	-

5. Taxation

(a) Statement of comprehensive income:	2016	2015
	\$'000	\$'000
Current income tax expense from continuing operations	127	-
Deferred tax expense/(benefit)	259	(312)
Tax expense	386	(312)
(b) Reconciliation of income tax expense to prima facie tax payable		
Loss before tax (continuing operations)	(19,839)	(7,934)
Earnings before tax (see Note 20)	571	144
	(19,268)	(7,790)
Benefit at 28%	5,395	2,181
Non-deductible expenses	(59)	(49)
Taxation rate variances on subsidiaries	(8)	35
Deferred tax (expense)/benefit arising on disposal/acquisition of business activity	(259)	312
Future benefit of tax losses not recognised	(5,455)	(2,167)
Income tax expense/benefit	(386)	312
(c) Current tax assets and liabilities		
Current tax payable	127	-

d) Deferred tax balances	Employee benefits	Depreciation and amortisation	Other timing differences	Tax losses	Identifiable intangible assets	Net
Deferred tax asset/liability balances:						
At 1 April 2014	6	(15)	(5)	14		-
Charged to profit or loss	36	(32)	(83)	338	53	312
Business acquisition	-	-	-	-	(312)	(312)
At 31 March 2015	42	(47)	(88)	352	(259)	-
Deferred tax asset/liability balances:						
At 1 April 2015	42	(47)	(88)	352	(259)	-
Charged to profit or loss	70	(1)	(289)	(38)	-	(259)
Disposal of business activity	-	-	-	-	259	259
At 31 March 2016	112	(48)	(377)	314	-	-

The Group also has an unrecognised deferred tax asset arising from tax losses. These are subject to confirmation by the Inland Revenue and subject to meeting the requirements of the Income Tax Act 2007.

The Group had estimated New Zealand tax losses of \$25,119,000 (2015: \$8,627,000) available to carry forward, subject to shareholder continuity being maintained as required by New Zealand tax legislation.

(e) Imputation credit account balances	2016	2015
	\$'000	\$'000
Balance at the end of the financial year	24	24

6. Property, plant and equipment

	Fixture and fittings	Office equipment	Computer equipment	Total
	\$'000	\$'000	\$'000	\$'000
As at 31 March 2014				
Cost	-	20	58	78
Accumulated depreciation	-	(1)	(13)	(14)
Carrying amount at beginning of year	-	19	45	64
Year ended 31 March 2015				
Additions	-	300	252	552
Acquisition of business	-	34	17	51
Disposals	-	(3)	(1)	(4)
Depreciation	-	(25)	(69)	(94)
Foreign exchange variation	-	1	2	3
Carrying amount at end of year	-	326	246	572
As at 31 March 2015				
Cost	-	352	328	680
Accumulated depreciation	-	(26)	(82)	(108)
Carrying amount at end of year	-	326	246	572
Year ended 31 March 2016				
Additions	674	1,001	940	2,615
Disposal of business activity (see Note 20)	-	(50)	-	(50)
Disposals	-	(26)	(26)	(52)
Depreciation	(9)	(117)	(225)	(351)
Foreign exchange variation	8	11	16	35
Carrying amount at end of year	673	1,145	951	2,769
As at 31 March 2016				
Cost	682	1,283	1,250	3,215
Accumulated depreciation	(9)	(138)	(299)	(446)
Carrying amount at end of year	673	1,145	951	2,769

7. Intangible assets and goodwill

	Customer contracts & brands	Software development	Patents & trademarks	Goodwill	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Cost					
Balance at 1 April 2014	-	829	64	-	893
Additions	-	1,126	305	-	1,431
Acquisition of business	1,113	1,202	23	2,423	4,761
Balance at 31 March 2015	1,113	3,157	392	2,423	7,085
Amortisation					
Balance at 1 April 2014	-	(84)	(6)	-	(90)
Amortisation	(189)	(421)	(17)	-	(627)
Balance at 31 March 2015	(189)	(505)	(23)	-	(717)
Net carrying value 31 March 2015	924	2,652	369	2,423	6,368
Cost					
Balance at 1 April 2015	1,113	3,157	392	2,423	7,085
Additions	-	3,063	18	-	3,081
Disposal of business activity (see Note 20)	(1,113)	(1,202)	(22)	(2,423)	(4,760)
Balance at 31 March 2016	-	5,018	388	-	5,406
Amortisation					
Balance at 1 April 2015	(189)	(505)	(23)	-	(717)
Amortisation	(227)	(1,138)	(52)	-	(1,417)
Disposal of business activity (see Note 20)	416	440	4	-	860
Balance at 31 March 2016	-	(1,203)	(71)	-	(1,274)
Net carrying value 31 March 2016	-	3,815	317	-	4,132

The Group capitalises software development costs based on direct costs associated with the project and a proportion of employee costs that directly relate to software development. Amortisation is recognised as an expense in the statement of comprehensive income.

Software development relates to the continued development of the Company's mobile commerce and electronic payment software.

An impairment test of goodwill was performed in the prior year. As a result of the test, no impairment of goodwill was necessary.

8. Cash and cash equivalents

	2016	2015
	\$'000	\$'000
Cash and cash equivalents	12,181	251
	12,181	251

As at 31 March 2016 the amounts held in foreign currencies were as follows:-

United States Dollars	2,358	100
Australian Dollars	70	9

9. Trade and other receivables

	2016	2015
	\$'000	\$'000
Gross trade receivables	239	599
Provision for impairment of receivables	-	(118)
Net trade receivables	239	481
Prepayments	1,119	839
Deferred consideration – disposal of business activity (see Note 20)	436	-
Capitalised commissions and sales discounts	1,034	367
Other receivables	800	58
Charity revenue	-	460
Current trade and other receivables	3,628	2,205
Long term receivables – rental bonds	69	69
Restricted Cash Balances	2,113	73

Restricted cash balances represent tenant security deposits relating to property lease arrangements that the Group has entered into.

Aging analysis

The aging analysis of these trade receivables is as follows:

	2016	2015
	\$'000	\$'000
1-60 days	197	410
61-90 days	17	61
91+ days	25	128
	239	599

Trade and other receivables

The average credit period for sales of services is 6 days (2015: 45 days). The provision for impairment of receivables has been determined on specific balances by management based on likelihood of recovery. In accepting a new customer the Group assesses the customer's credit quality and reviews credit performance monthly.

Past due but not impaired trade receivables

Included in the trade receivables balance are debtors amounting to \$31,000 (2015: \$134,000), which are past due but not impaired at balance date.

Impaired receivables

As at 31 March 2016 trade receivables with impairment in respect of the Group amounts to: \$ Nil (2015: \$118,000).

Movement in provision for impairment of receivables

	2016	2015
	\$'000	\$'000
Balance at 1 April	118	-
Impaired receivables recognised	-	113
Net foreign currency exchange differences	-	5
Written-off during the year	(118)	-
Balance at 31 March	-	118

10. Trade and other payables

The average credit period on purchases of services represents an average of 24 days credit (2015: 26 days credit). Grant revenue in advance is the amount yet to be amortised to revenue based on the estimated life of the software development to which the grant relates.

	2016	2015
	\$'000	\$'000
Trade payables	708	525
Other payables and accrued expenses	1,947	866
Grant revenue in advance	146	180
Deferred payment from business acquisition	-	400
Charity revenue	-	509
Deferred revenue	1,384	18
	4,185	2,498

11. Current employee benefits

	2016	2015
	\$'000	\$'000
Liability for annual leave	394	169
	394	169

12. Share capital

	Number of shares	
	000's	\$'000
Balance at 1 April 2014	1,582	1,860
Movements during year		
Preference shares converted to ordinary shares	384	2,000
Issue of shares	261	2,779
Issue of shares to Pushpay Trustees Limited	4	-
Share issue costs	-	(26)
Balance prior to share subdivision 3 June 2014	2,231	6,613
Share subdivision 3 June 2014 – 18.1554 per 1 share	40,500	-
Issue of shares	9,000	9,000
Issue of shares – purchase Run The Red	500	500
Share issue costs	-	(97)
Capital raised on employee share scheme	-	510
Share buy back from employee share scheme	(343)	(99)
Issue of shares to Pushpay Trustees Limited	446	-
Balance at 31 March 2015	50,103	16,427
Movements during the year		
Issue of shares	7,736	32,595
Issue of shares to Pushpay Trustees Limited	177	-
Capital raised on employee share scheme	-	124
Share issue costs	-	(282)
Balance prior to share subdivision 9 February 2016	58,016	48,864
Share subdivision 9 February 2016 – 4 per 1 share	232,066	-
Capital raised on employee share scheme	-	213
Issue of shares to Pushpay Trustees Limited	41	-
Share buy back from employee share scheme	(942)	-
Balance as at 31 March 2016	231,166	49,077

The paid up capital comprises ordinary shares. The total number of ordinary shares on issue is 231,166,080 shares (2015: 50,102,766 shares). The shares have no par value. All ordinary shares rank equally with one vote attached to each fully paid ordinary share.

As at 31 March 2016, these include 4,731,580 shares (2015: 1,590,843 shares) issued to Pushpay Trustees, a subsidiary for the purpose of the employee share scheme.

13. Share based payments

In April 2013 the Group established an employee share scheme ("the scheme") that entitles selected directors, executives and employees to purchase shares in the Company. In August 2014 this scheme was disestablished and replaced by a new scheme. Under this new scheme the ordinary shares in Pushpay are issued to a trustee, Pushpay Trustees Limited, a wholly owned subsidiary ("Trustee") and allocated to participants on a grant date using funds lent to them by the Company through limited recourse loans. Under the scheme, the shares are beneficially owned by the participants. The length of retention period before the shares vest is between one and four years. If an employee leaves prior to the shares vesting, the Trustee may repurchase the shares. All shares are held by the Trustee in accordance with the rules and trust deed of the scheme. The number of shares issued is determined by the Board.

The Trustee holds 4,731,580 shares (2015: 1,590,843 shares). All of these shares are held on behalf of employees and subject to repayment of employee loans. Loans are not recognized as they are limited recourse and accounted for as options. The fair value of services received in return for the share granted is based on the fair value of share granted measured using a Black Scholes option pricing model.

The number and exercise price is as follows:

	2016		2015	
	Exercise price	Number of shares	Exercise price	Number of shares
	\$		\$	
Total at 1 April	-	1,590,843	-	1,568,260
Granted during the year	3.947	187,859	0.343 - 0.381	492,300
Granted during the year	3.18 - 7.69	114,153	0.574 - 0.588	154,176
Granted during the year	-	-	1.000	300,000
Granted during the year	-	-	2.000	146,250
Less: transferred to employees during the year	0.343-3.947	(186,273)	-	-
		1,706,582		2,660,986
Share subdivision 9 February 2016 - 4 per 1 share		6,826,328		-
Granted during the year	1.674	40,824	-	-
Less: transferred to employees during year	0.287-3.947	(1,193,936)	0.287-2.00	(726,659)
Less: forfeited and repurchased		(941,636)		(343,484)
Total 31 March		4,731,580		1,590,843

The inputs for the Black Scholes option pricing model are as follows:

Issue Date	01/04/14	11/04/14	01/10/14	05/10/15	23/12/15	08/01/16	31/03/16
Number of shares issued ('000)	346	137	446	177	187	114	41
Estimated fair value per share at granted date	0.06-0.18	0.11-0.26	0.45-1.23	0.22-1.04	0.33-1.72	0.34-2.88	0.38-0.66
Exercise price per share	0.343	0.588	1.00-2.00	2.00-2.76	3.95	3.18-7.69	1.67
Expected volatility	40%	40%	40%	55%	55%	55%	55%
Risk free interest rate	3.50%	3.50%	3.50%	2.70%	2.70%	2.70%	2.70%

Shares issued prior to 9 February 2016 have not been adjusted for the effects of the subdivision. The volatility measured is the standard deviation based on a statistical analysis of the daily share price of the Company over the last 12 months. In the previous financial year, the volatility was measured based on estimates of listed equity securities for businesses with a similar nature to the Company operating in the technology industry, as the Company did not have a sufficient trading history to develop its own standard deviation metrics.

Operating expenses	2016	2015
	\$'000	\$'000
Share based payment expense	76	101

14. Earnings per share

The loss of \$19,395,000 (2015: \$7,478,000) represented a loss per share shown below based on weighted average ordinary shares on issue during the year.

	2016	2015
Number of issued ordinary shares	231,166,080	50,102,766
Weighted average ordinary shares outstanding	224,284,911	184,617,448
Basic and diluted loss per share (cents) from continuing and discontinued operations	8.60	4.05
Basic and diluted loss per share (cents) from continuing operations	8.60	4.05

Calculated on a weighted average basis of the number of shares on issue. Diluted loss per share is the same as basic loss per share. For 2016 there are no instruments that could potentially dilute basic earnings per share. For 2015 there were preference shares which were later converted to ordinary shares, but were not included in the calculation of diluted earnings per share for that period.

The Company completed a 4 for 1 share split on 9 February 2016, which resulted in 231,166,080 shares being on issue at 31 March 2016. The weighted average number of ordinary shares used in the calculation of earnings per share for 31 March 2015 has been restated to reflect the share split.

15. Reserves

Foreign currency translation reserve

Exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into New Zealand Dollars are recorded in other comprehensive income and accumulated in the foreign currency translation reserve.

Share based payment reserve

Share based payment reserve is used to record the value of share-based payments provided to employees, including key management personnel as part of their remuneration.

16. Segment reporting

The Chief Executive Officer and members of the senior management team are the Group's chief operating decision makers. They have determined that based on the information they use for the purposes of allocating resources and assessing performance, the Group itself forms a single operating segment, the development and deployment of mobile payment solutions. The segment result is reflected in the continuing operations financial statements. Prior to the sale of the Run The Red business the Group had a second operating segment, text messaging, the segment result of which is reflected in discontinued operations.

a) Geographical information

The Group operated principally in the United States for the year ended 31 March 2016, of which over 90% of its revenue from continuing operations is generated.

17. Subsidiaries

Name	Country of incorporation	Ownership	
		2016	2015
eChurch Inc	United States	100%	100%
Pushpay Inc	United States	100%	100%
Pushpay IP Limited	New Zealand	100%	100%
Pushpay Pty Limited	Australia	100%	100%
Pushpay Trustees Limited	New Zealand	100%	100%
Pushpay NZ Limited (formerly Run The Red Limited)	New Zealand	100%	100%
ZipZap Processing Inc	United States	100%	100%
Pushpay Limited (not trading)	New Zealand	100%	100%

All companies have a 31 March balance date.

18. Related parties

The Group has a related party relationship with its directors.

(a) Loans to directors

Loans include transactions under the Employee Share Scheme are limited recourse and are not recognised on the balance sheet. A new loan was made during the year to Graham Shaw of \$66,000 in relation to the Employee Share Scheme. Geelong Investments Limited (a company for which Bruce Gordon provides services) had an outstanding balance of \$50,000 (2015: \$65,000) after repaying \$15,000 during the year.

(b) Remuneration

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly and include the Directors, the Chief Executive Officer and senior management team.

The following table summarises remuneration paid to key management personnel:

	2016	2015
	\$'000	\$'000
Directors' fees	157	67
Short term employee benefits	2,638	1,291
Share based payments	40	28

(c) Standby loan facility

On 16 March 2015, Christopher & Banks Private Equity V Limited, a company in which Director Christopher Huljich and Peter Huljich (Alternate Director for Christopher Huljich - resigned 17 May 2016) have beneficial ownership, provided a standby facility of up to \$4.0m. No amounts were drawn on that facility during the year.

19. Financial risk management

The Group is subject to a number of financial risks including liquidity risk, credit risk and market risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. Specific risk management objectives and policies are set out below:

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and equity.

The capital structure of the Group consists of shares, comprising issued capital and retained losses.

The Group's board of directors reviews the capital structure on a regular basis to ensure that entities in the Group are able to continue as going concerns. The Group is not subject to externally imposed capital requirements.

(b) Interest rate risk

The Group's interest rate risk arises from its cash balances. These are placed on deposit at variable rates that expose the Group to cashflow interest rate risk. The Group does not enter into forward rate agreements.

The Group's management regularly reviews its banking arrangements to ensure the best returns on funds.

	2016	2015
	\$'000	\$'000
Variable rate instruments		
Financial assets - cash and cash equivalents and restricted cash balances	14,294	324
	14,294	324

Cash at the bank is subject to floating interest rate risk. During the year interest rates ranged from 0%-2.0% (2015: 0%-4.1%).

As at 31 March 2016 if interest rates had been 1% higher/lower with all other variables held constant, the impact on interest income and net loss of the Group would have been \$45,000 higher/lower (2015: \$21,000 higher/lower).

(c) Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Group. Financial instruments which potentially subject the Group to credit risk principally consist of cash and accounts receivable. The Board monitors and manages the exposure to credit risk by ensuring the customers have an appropriate credit history.

The maximum exposures to credit risk at the balance date are:

	2016	2015
	\$'000	\$'000
Accounts receivable	1,475	999
Cash and cash equivalents and restricted cash balances	14,294	324

The Group does not require any collateral or security to support financial instruments. As at 31 March 2016, accounts receivable includes an amount of \$436,000 due from a 3rd party relating to the disposal of the Run The Red business. The Group's bank accounts are held with ASB Bank, City National Bank and Wells Fargo Bank.

(d) Liquidity risk management

Liquidity risk is the risk that the Company or the Group cannot pay contractual liabilities as they fall due. During the year the Company raised \$32,595,000 by way of a Private Placement and an Entitlement Offer. Following receipt of these proceeds the Company had sufficient cash to meet its requirements. The Board regularly reviews its liquidity position by examining future cash requirements.

All financial liabilities of the Group for 31 March 2016 and 31 March 2015 are non-interest bearing and mature within 3 months of balance sheet date.

The Group has secured a standby facility from Christopher & Banks Private Equity V Limited for an amount up to \$4 million. Interest is payable on drawn amounts at ASB Bank commercial lending rates plus 1.5% and the facility is unsecured. Repayment is to occur not later than 30 June 2016 unless otherwise agreed between the parties (see Notes 18 and 23). As at 31 March 2016 no draw down had occurred.

(e) Foreign currency risk

The Group is exposed to foreign currency movements against the New Zealand Dollar as it has significant United States operations.

As a result the financial statements can be affected by movements in United States Dollar rates.

The following sensitivity analysis is based on the foreign currency risk exposures in existence at the reporting date. As at 31 March 2016, had the New Zealand Dollar moved, as illustrated in the table below, with all other variables held constant, post tax profit and loss and equity would have been affected as follows:

	2016	2015
	\$'000	\$'000
Increase in value of NZ Dollar of 10 percent		
Impact on profit or (loss)	40	18
Impact on equity	40	18
Decrease in value of NZ Dollar of 10 percent		
Impact on profit or (loss)	33	(22)
Impact on equity	33	(22)

The sensitivity analysis was calculated by taking the spot rate as at balance date of 0.6913 (2015: 0.7490) for United States Dollars and moving this spot rate by the reasonably possible movements of plus and minus 10 percent and then re-converting the foreign currency into New Zealand Dollars with the "new spot rate". This methodology reflects the translation methodology undertaken by the Group.

(f) Fair value of financial instruments

The carrying value of cash and cash equivalents, trade receivables, trade payables and accruals are assumed to approximate their fair values due to the short term maturity of these assets and liabilities.

All financial assets of the Group are classified as loans and receivables and all financial liabilities are carried at amortised cost.

20. Discontinued operations

In the previous financial year, the Group acquired Run The Red, a mobile messaging business, for a consideration of \$4,500,000. The acquisition gave rise to goodwill of \$2,423,000. On 31 March 2016 the Group sold Run The Red for an aggregate value of \$4,500,000 before working capital adjustments. The segment was not a discontinued operation or classified as held for sale prior to at 31 March 2015. The comparative statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operations.

	2016	2015
	\$'000	\$'000
Results of discontinued operation		
Revenue	4,001	3,061
Expenses	(3,610)	(2,917)
Results from operating activities	391	144
Tax expense	-	-
Results from operating activities before tax	391	144
Gain on sale of discontinued operation	180	-
	571	144
Deferred tax credit on disposal	259	-
Profit (loss) for the year	830	144
Basic and diluted loss per share (New Zealand Dollars)	0.003	0.003

The profit from discontinued operations of \$830,000 (2015: profit of \$144,000) is attributable entirely to the owners of the Company.

	2016	2015
	\$'000	\$'000
Cash flows from (used in) discontinued operation		
Net cash from operating activities	638	595
Net cash used in investing activities	(2)	(16)
Net cash flows for the year	636	579

	2016
	\$'000
Effect of disposal on the financial position of the Group	
Property, plant and equipment	50
Intangible assets	1,477
Goodwill	2,423
Trade and other receivables	784
Cash and cash equivalents	39
Trade and other payables	(517)
Net assets and liabilities	4,256
Consideration received, satisfied in cash	4,000
Cash and cash equivalents disposed	(39)
Net cash inflow	3,961

21. Reconciliation of net loss with cash flows from operating activities

		2016	2015
	Notes	\$'000	\$'000
Net loss for the year		(19,395)	(7,478)
Adjustments for non-cash items:			
Depreciation		351	94
Loss on disposal, property, plant and equipment		52	3
Amortisation of development costs and intangibles		1,418	627
Gain on disposal of business activity	20	(439)	-
Share based payment expense	13	76	101
Non-cash expense relating to employee remuneration		-	424
Bad debts		-	113
Unrealised gain on foreign exchange		(231)	(163)
Deferred tax expense/(benefit)		259	(312)
Movements in working capital		(17,909)	(6,591)
Accounts receivable		(928)	(2,202)
Accounts payable and accruals		1,914	2,055
Provision for taxation		127	-
		1,113	(147)
Net cash inflow/(outflow) from operating activities		(16,796)	(6,738)

22. Subsequent events

There were no significant events between balance date and the date these financial statements were authorised for issue.

23. Going concern

The financial statements have been prepared using the going concern assumption.

The Group has recorded a net deficit of \$19,395,000 for the year ended 31 March 2016 (2015: net deficit of \$7,478,000), and as at balance date is in a net asset position of \$20,186,000 (2015: net asset position of \$6,871,000). The Group has no debt and at balance date had available cash of \$12,181,000 (2015: \$251,000).

With the Company continuing on a market growth strategy there is a requirement for additional capital to fund execution of the growth strategy and maximise shareholder value. The Directors believe that additional capital can be raised based on the Company's market capitalisation, strong operating performance and growth, and the Company's track record of successful capital raises. In the unlikely event that a capital raise could not be completed the Company has concluded that it could adjust its strategy and operations to continue operating for the foreseeable future, which is not less than twelve months from the date these financial statements are approved. That conclusion is based on forecasts which take in to account the available cash on hand, the recurring revenue streams of the business and the ability to adjust the level of investment in growth.

The Directors believe the going concern assumption is valid and have reached this conclusion having regard to the circumstances which they consider likely to affect the Company during the period of one year from the date these financials are approved and to circumstances which they believe will occur after that date which could affect the validity of the going concern assumption.

24. Contingent liabilities

As at the balance date there were no material contingent liabilities (2015: Nil).

25. Capital commitments and operating lease commitments

As at the balance date there were no material capital commitments (2015: Nil).

Non-cancellable operating lease commitments where the Group is a lessee in relation to leases of office space are:

	2016	2015
	\$'000	\$'000
Less than one year	2,286	416
After one year but not more than five years	12,717	1,323
More than 5 years	3,258	
	18,261	1,739

Non-cancellable operating lease receivables where the Group is a lessor in relation to sub-leases of office space are:

	2016	2015
	\$'000	\$'000
Less than one year	374	-
After one year but not more than five years	943	-
	1,317	-

Directors' responsibility statement

The Directors of Pushpay Holdings Limited are pleased to present the financial statements for the year ended 31 March 2016 to shareholders.

The Directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which fairly present of the financial position of the Group as at 31 March 2016 and the results of its operations and cash flows for the year ended on that date.

The Directors consider the financial statements of Pushpay Holdings Limited have been prepared using accounting policies which have been consistently applied and supported by reasonable judgments and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Companies Act 1993, NZX Main Board Listing Rules, Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of Pushpay Holdings Limited and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Financial Statements are signed on behalf of the Board on 18 May 2016 by:



Bruce Gordon
Chairman



Chris Heaslip
CEO, Executive Director and Co-founder

Corporate Governance

The objective of the Board is to enhance shareholder value. The Board and management of Pushpay are committed to ensuring that Pushpay (**'the Company'**) meets best practice governance principles and adheres to high ethical standards.

Pushpay commenced trading on the NZX Alternative Market ("**NZAX**") on 14 August 2014. The company ceased quotation of its shares on the NZAX at 5:00 pm on 8 June 2015 and commenced quotation of its shares on the NZX Main Board on 9 June 2015. The Board considers that the Company has complied with the NZX Corporate Governance Best Practice Code, and the Financial Markets Authority's "Corporate Governance in New Zealand Principles and Guidelines" for the year ended 31 March 2016.

Board of directors

Role of the Board

Pushpay's Board is responsible for directing the Company and enhancing its value for shareholders in accordance with good corporate governance principles.

The main functions of the Board are to:

- a) be well-informed, impartial and critically engaged in the Company's affairs;
- b) apply that manner of engagement when assessing strategic, business and financial plans prepared by management;
- c) bring an independent mind when deciding the viability of plans to be adopted;
- d) regularly assess and monitor the Company's performance against those plans, carefully considering the CEO's management of the Company against them;
- e) select and replace the CEO, determine conditions of employment, and monitor performance against agreed objectives;
- f) approve executive management team appointments, remuneration (including performance remuneration) and monitor performance against agreed objectives;
- g) review development and succession plans for the executive management team;
- h) ensure that the Company has adequate management and resources to achieve its objectives and to support the Board;
- i) ensure effective and timely reporting to shareholders;
- j) set delegated authority levels for the CEO and executive management team;
- k) review and approve individual investment and divestment decisions which the Board has determined should be referred to it before implementation;
- l) review and approve material transactions not in the ordinary course of the Company's business;
- m) ensure effective audit, risk management and compliance systems are in place and monitored to protect the Company's assets and to minimise the possibility of actions beyond legal and regulatory requirements or beyond acceptable risk parameters being undertaken;
- n) ensure ethical behaviour by the Company, the Board and management, including compliance with the Company's Constitution, the relevant laws, NZX Main Board listing rules and regulations and relevant auditing and accounting principles;
- o) implement and from time to time review the Company's Code of Ethics, foster high standards of ethical conduct and personal behaviour and hold accountable those directors, managers or other employees who engage in unethical behaviours;

- p) ensure the quality and independence of the Company's external audit process; and
- q) assess from time to time its own effectiveness in carrying out these functions and the other responsibilities of the Board.

The Board has delegated a number of its responsibilities to three Board committees; Audit and Risk Management Committee, Nomination and Remuneration Committee and Technology, Innovation and IP Committee. The role of each committee is described below. Achievement of the strategic direction and goals are determined by the Board and day to day management of the Company is delegated to the executive team under the leadership of the CEO.

Board composition

The NZX Main Board Listing Rules state that the number of directors must not be less than three and at least two must be resident in New Zealand.

As at 31 March 2016 the Board comprised six Directors and one Alternate Director:

Bruce Gordon - Independent Chairman
 Graham Shaw - Independent Director
 Christopher Huljich - Non-executive Director
 Douglas Kemsley - Non-executive Director
 Christopher Heaslip - Executive Director, CEO
 Eliot Crowther - Executive Director, Sales
 Peter Huljich - Alternate Director for Christopher Huljich (resigned 17 May 2016)

Chairman

The Chairman of the Board is elected by the Non-executive Directors. The Board supports the separation of roles of the Chairman and CEO. The Board has determined that the Chairman, Bruce Gordon, is an Independent Director.

The Chairman is responsible for co-ordinating the activities and work streams of the Board and has the following specific responsibilities:

- a) conduct meetings of the Board and of shareholders;
- b) schedule Board meetings in a manner that enables the Board and its committees to effectively perform their duties while minimally interfering with the Company's business;
- c) prepare, in consultation with the CEO, other directors and committee chairpersons and the Board Secretary, the agendas for the Board and committee meetings;
- d) define the quality, quantity and timeliness of the flow of information between management and the Board;
- e) ensure that issues raised, or information requested, by any director are responded to promptly and as fully as possible;
- f) approve, in consultation with the Board, the retention of consultants who report directly to the Board;
- g) foster a constructive governance culture and assist the Board and management in assuring compliance with, recommended revisions to, and implementation of Pushpay's Corporate Governance Code;
- h) promote and maintain the independence of the Board from management;
- i) participate in the Non-executive Directors' evaluation of the CEO's performance and to meet with the CEO to discuss the Board's requirements and expectations and the evaluation of the CEO's performance by the Board; and
- j) to ensure that processes for annually evaluating the performance of the Board, Board committees and individual directors are in place and lead these processes in conjunction with the Board.

Conflict of interests

The Board is aware of its obligations to ensure that directors avoid conflicts of interest between their duties to the Company and any personal interests. The Board Charter outlines the policy where conflicts exist (real and perceived). Pushpay maintains an interest register where relevant disclosures of interest and related party transactions are recorded.

Director independence

Consideration is given to significant shareholders or shareholder groups being represented on the Board. The Board also has Independent Directors to ensure that the interests of all shareholders are represented. The Board takes into account the guidance provided under the NZX Main Board Listing Rules in determining the independence of the Directors and will review any determination it makes, on becoming aware of any information that may impact any Director's independence. The Board considers Bruce Gordon and Graham Shaw to be independent.

Retirement and re-election

Directors are subject to the rotation requirements as set out in the NZX Main Board Listing Rules and in the Company's constitution. In broad terms, one third (or the whole number nearest one third) of the Directors retire by rotation at each annual meeting. The Directors to retire are those who have been longest in office since the last election. Directors retiring by rotation may, if eligible stand for re-election. A Director appointed by the Board since the previous annual meeting holds office only until the next annual meeting but is eligible for re-election.

Director training

All Directors are responsible for ensuring they remain current in understanding their obligations and duties. New Directors are given a copy of the Board Charter, appropriate induction training and a letter of appointment covering the role of the Board, expectations and any particular terms of the appointment.

Company information

All Directors have access to senior management to discuss issues or obtain information in specific areas in relation to items to be considered at Board meetings or any other areas considered appropriate. Each Director has the right to seek independent legal and other professional advice (with approval of the Chairman) at the Company's expense to assist them to carry out their responsibilities.

Directors and officers insurance

Pushpay has insured and indemnified all its Directors against liabilities to other parties that may arise from acts or omissions in their capacity as Directors.

Board evaluation

The Board undertakes regular reviews of its own performance and the performance of Directors and each committee to ensure the Board's composition has the appropriate skills, qualifications, experience and background to monitor the Company's performance in the interests of the shareholders.

Board Committees

Audit and Risk Management Committee

The current members of the Audit and Risk Management Committee are Graham Shaw (Chairman), Bruce Gordon and Douglas Kemsley.

Christopher Huljich resigned from the Audit and Risk Management Committee with effect on 21 May 2015, in light of Pushpay's migration to the NZX Main Board (as the NZX Main Board Listing Rule 3.6.2(c) requires an Issuer's Audit Committee to have a majority of members that are Independent Directors).

The Board is committed to a transparent system for auditing and reporting the Group's financial performance. The Audit and Risk Management Committee's principal functions are:

- To assist the Board in fulfilling its responsibilities in producing accurate financial statements in compliance with all applicable legal requirements and accounting and reporting standards.
- To assist the Board in ensuring the quality and independence of the Company's external audit process.
- To assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to oversight of, appropriate accounting policies, financial management, internal control systems and risk management framework.

The Audit and Risk Management Committee provides a forum for the effective communication between the Board and external auditors. The Committee reviews the annual and half-yearly financial statements prior to their approval by the Board, the effectiveness of internal control and management information systems and the efficiency and effectiveness of the audit function.

The Committee generally invites the Company's Chief Financial Officer and the auditors to attend Committee meetings. The Committee also meets with and receives reports from the auditors concerning any matters that arise in connection with the performance of their role, including the adequacy of internal controls.

Pushpay has established a system of risk oversight and management. Senior management maintains a risk register and this is reviewed at each meeting of the Audit and Risk Management Committee.

Nominations and Remuneration Committee

The current members of the Nominations and Remuneration Committee are: Bruce Gordon (Chairman), Graham Shaw, Christopher Hujlich and Douglas Kemsley.

The committee reviews the remuneration packages of all Directors and the senior management team. The Non-executive Directors approve the remuneration of Christopher Heaslip and Eliot Crowther who are also Executive Directors.

The packages of the employees and contractors of the Group, which consist of base salary and incentive schemes (including performance-related bonuses) are reviewed with due regard to performance and other relevant factors.

The Committee reviews the composition of the Board annually to ensure the Board maintains an appropriate balance of skills, experience and expertise.

The terms and conditions of the appointment of Directors are set out in a formal letter of appointment that typically deals with the following matters:

- Duration of appointment; role of the Board; timing and location of board meetings and expected time commitment; remuneration including timing of reviews; Committee involvement; Board and individual evaluation processes;
- Outside interests including other directorships; dealing in Company shares; and
- Induction and development processes; access to independent professional advice; availability of liability insurance and the confidentiality of Group information.

Technology Innovation and Intellectual Property (IP) Committee

The current members of the Technology, Innovation and IP Committee are: Bruce Gordon (Chairman), Christopher Hujlich, Douglas Kemsley and Christopher Heaslip.

The purpose of this Committee is to perform an advisory role in relation to the Company's material technology, innovation and intellectual property related matters through:

- Review and providing advice and recommendation to the Board on all material decisions including the Company's technology assisting the Board to determine enhancement in functionality that would

be desirable to make Pushpay's products and material investments, research and development to be undertaken on Pushpay's existing and new products; and

- Developing intellectual property policy and strategy.

Board and Committee meeting attendance

Board and Committee meetings are held in person and/or by teleconference. The table below shows Director attendance at these meetings during the year ended 31 March 2016:

	Monthly Board meeting	Audit & Risk Management Committee	Nominations and Remuneration Committee	Technology, Innovation and IP Committee
Total meetings	12	3	2	5
Bruce Gordon	12	3	2	5
Christopher Heaslip	12	2	2	5
Christopher Huljich	8	2	2	1
Douglas Kemsley	12	3	2	5
Eliot Crowther	12	-	-	-
Graham Shaw	12	3	1	2
Peter Huljich (Alternate Director for Christopher Huljich - resigned 17 May 2016)	12	3	2	5

Code of Ethics

The Pushpay Code of Ethics is fundamental to the way that Pushpay intends to do business. The purpose of the Code is to ensure high standards of ethical conduct. The Code aims to achieve this purpose by the use of principles that provide guidance on appropriate standards and conduct. As the Code and the principles set out in it cannot capture every situation that might arise, Pushpay personnel should assess actions and decisions against the backdrop of the principles and spirit of the Code and always seek to act consistently with that.

The Code has been approved by the Board and all of Pushpay's personnel are expected to be familiar with it. Furthermore, all of Pushpay's personnel (including employees, contractors and other representatives of Pushpay from time to time) must comply with the letter and spirit of the Code. This is especially true of Directors and senior management. Breaches of the Code will result in appropriate disciplinary or legal action.

The Code covers:

- Conflicts of interest;
- Receipt and use of Company information;
- Receipt and use of Company assets and property;
- Directors attention to the matters before them;
- Acting honestly and in the best interest of the Company;
- Valuing people; and
- Reporting breaches of the Code.

Interests' register

An interests' register is maintained for Pushpay in which the particulars of certain transactions and matters involving the Directors must be recorded. The interests' register is available for inspection at Pushpay's registered office. When a Director has declared an interest in a particular entity, as a shareholder or Director, the declaration serves as notice that the Director may benefit from any transaction between the Company and identified entity.

Securities Trading Policy

The Board has adopted a Securities Trading Policy for all Directors, officers, employees, contractors and advisers of Pushpay and its subsidiaries for trading in the Company's quoted financial products. Compliance with this policy is actively managed. The Policy covers Insider Trading Laws and various policy requirements including the monitoring of trading.

Before trading Pushpay quoted financial products, at any time, all Directors, officers, employees, contractors and advisers of Pushpay and its subsidiaries must, in writing:

- notify the Company Head of Investor Relations of their intention to trade in Pushpay's quoted financial products, seek consent to do so and receive a signed copy of the consent to trade;
- confirm that they do not hold material information; and
- confirm that there is no known reason to prohibit trading in any Restricted Securities.

Diversity

Pushpay has a Diversity Policy as the Board acknowledges the importance of treating others with dignity, respect and fairness, and taking into consideration cultural sensitivities, as well as ensuring freedom from unlawful discrimination. Pushpay is committed to creating and maintaining an inclusive and collaborative workplace culture by recognising the values of a diverse and skilled workforce. This commitment extends to all areas of its business.

Pushpay will support the ongoing enhancement of diversity and inclusion of initiatives, which may include:

- promotion of a discrimination, harassment and victimisation-free working environment, with a focus on respect and inclusion;
- raising employee awareness of workplace diversity by designing, delivering and measuring the efficacy of gender equality and workforce diversity programmes;
- diversity support and education;
- promotion of a culture of empowerment that rewards employees to act in accordance with the policy; and
- striving to ensure that all employees receive equal treatment in all aspects of Pushpay's employment policies and practices.

As at 31 March 2016 the gender balance of Directors, officers and employees/contractors was as follows:-

	Directors	Officers	Employees/Contractors
Female	-	-	60
Male	7	4	156
Total	7	4	216

The Board considers that the company is upholding the diversity policy.

Auditors

Pushpay adopted an external audit independence policy. The policy requires:

- facilitating frank dialogue among the Audit and Risk Committee, auditor and management;
- lead and engagement partners being rotated after a maximum of five years;
- facilitating continued independence, assessing qualifications and monitoring performance; and
- review of nature and scope of audit and reviewing the audit delivery plan.

Market disclosure

Pushpay is committed to ensuring that all of its shareholders have timely access to full and accurate material information about the Company. Equally the Directors comply with full and timely disclosure to the market of material information.

Non-executive Director remuneration

The total remuneration available to Non-executive Directors is fixed by shareholders. The current annual fee pool limit is \$300,000. The amounts of approved Directors fees are:

Board Chairman	\$45,000
Non-executive Director	\$30,000
Committee Chairman	\$9,000
Committee Member	\$6,000

Douglas Kemsley and Christopher Huljich agreed not to receive Director's fees through to 30 September 2015.

In addition, Directors are entitled to be paid for all reasonable travel, accommodation and other expenses incurred by them in connection with the Company's business.

Executive director remuneration

Christopher Heaslip and Eliot Crowther are Executive Directors as at 31 March 2016. They did not receive any remuneration in their capacity as Directors, but were remunerated as Officers.

Director remuneration

The total Director fees and other remuneration received by the Directors for the period ended 31 March 2016 were as follows:

Director	2016		2015	
	Fees	Other remuneration	Fees	Other remuneration
	\$'000	\$'000	\$'000	\$'000
Bruce Gordon	68	-	59	-
Christopher Heaslip*	-	375	-	176
Christopher Huljich	21	-	-	-
Douglas Kemsley	24	-	-	-
Eliot Crowther*	-	371	-	204
Graham Shaw	44	-	8	-
Peter Huljich**	-	-	-	-
Total	157	746	67	380

* Remuneration received in capacity as Officer (rather than Director)

** Alternate Director for Christopher Huljich - resigned 17 May 2016

The table below shows the number of employees and former employees (including Executive Directors) receiving remuneration and other benefits in their capacity as employees the value of which was equal to or exceeded \$100,000 for the year ended 31 March 2016. Remuneration for those outside New Zealand have been converted into New Zealand Dollars using the 12 month average foreign exchange rates. No Director of a subsidiary receives or retains any remuneration or other benefits from Pushpay for acting as such.

	2016	2015
Employee remuneration range	Number of employees	Number of employees
\$100,000-\$110,000	5	2
\$110,001-\$120,000	3	1
\$120,001-\$130,000	2	4
\$130,001-\$140,000	5	1
\$140,001-\$150,000	5	2
\$150,001-\$160,000	4	1
\$160,001-\$170,000	3	1
\$180,001-\$190,000	2	-
\$190,001-\$200,000	5	2
\$200,001-\$210,000	2	1
\$220,001-\$230,000	1	-
\$230,001-\$240,000	1	-
\$300,001-\$310,000	1	-
\$330,001-\$340,000	1	-
\$370,001-\$380,000	2	-
\$400,001-\$410,000	1	-
\$410,001-\$420,000	1	-
	44	15

Waivers

On 9 June 2015, the Company commenced quotation of its shares on the NZX Main Board in accordance with Rule 5.2 of the NZX Main Board Listing Rules. In connection with this, the Company applied for and was granted a waiver from Rule 5.2.3 in respect of its shares for a period of 12 months from the date of quotation of its shares on the NZX Main Board, to the extent that the rule required the Company's shares to be held by at least 500 members of the public holding at least a Minimum Holding (as that term is defined in the NZX Main Board Listing Rules). The Company no longer relies on this waiver because the growth in its shareholder base means that it now satisfies the spread requirements in Rule 5.2.3.

On 4 May 2015, Pushpay was granted a waiver from NZAX Listing Rule ("Rule") 7.6.3(b) to permit the Company to provide Graham Shaw with financial assistance in connection with his participation in the Pushpay Share Incentive Scheme (the Scheme) without prior shareholder approval.

On 1 December 2014, Pushpay was granted a waiver from NZAX Listing Rule 7.6.1(f)(i) to permit the Company to acquire unallocated shares from Pushpay Trustees Limited (as trustee) in accordance with the terms of the Scheme. As a result of the migration of Pushpay's quoted securities onto the NZX Main Board on 9 June 2015, Pushpay applied for and was granted a waiver from NZX Main Board Listing Rule 7.6.1(f)(i) on 11 August 2015, to allow Pushpay to continue to purchase unallocated shares from the trustee under the Scheme.

Directors' shareholdings

Details of Director shareholdings as at 31 March 2016 are set out below:

Director	Class of share	Held by associated entities
Christopher Heaslip	Fully paid ordinary	29,712,148
Christopher Huljich*	Fully paid ordinary	67,776,572
Douglas Kemsley	Fully paid ordinary	14,000,000
Eliot Crowther	Fully paid ordinary	27,918,976
Graham Shaw	Fully paid ordinary	609,316
Peter Huljich (Alternate Director for Christopher Huljich - resigned 17 May 2016)*	Fully paid ordinary	67,669,432

* Both Christopher Huljich and Peter Huljich have a common interest through beneficial interest, registered holding or power to control some of the same entities.

Director share dealing

Directors disclosed, pursuant to section 148 of the Companies Act 1993, the following acquisitions and disposals of relevant interests in Pushpay shares during the year ended 31 March 2016:

Date	Director	Associated entity	Class of share	Acquired/ (Sold)	Consideration \$
20 May 2015	Graham Shaw	Pushpay Trustees Limited	Fully paid ordinary	23,896	66,000.00
5 June 2015*	Christopher Huljich	Christopher & Banks Private Equity V Limited	Fully paid ordinary	843,227	3,246,423.95
5 June 2015*	Christopher Huljich	Various related entities	Fully paid ordinary	225,506	868,198.10
5 June 2015	Douglas Kemsley	Douglas David Kemsley + Linda Tanu Kemsley + Michael John Roberts	Fully paid ordinary	(155,844)	599,999.40
5 June 2015	Douglas Kemsley	Douglas David Kemsley + Linda Tanu Kemsley + Michael John Roberts	Fully paid ordinary	(129,870)	499,999.50
5 June 2015	Eliot Crowther	Eliot Barry Crowther + Dorette Crowther + Crowther Trustee Limited	Fully paid ordinary	(100,000)	385,000.00
5 June 2015	Graham Shaw	Graham John Shaw + Delwyn Joy Shaw	Fully paid ordinary	25,974	99,999.90
5 June 2015*	Peter Huljich**	Christopher & Banks Private Equity V Limited	Fully paid ordinary	843,227	3,246,423.95
5 June 2015*	Peter Huljich**	Various related entities	Fully paid ordinary	223,721	861,325.85

(Continued)					
Date	Director	Associated entity	Class of share	Acquired/ (Sold)	Consideration \$
5 October 2015*	Christopher Huljich	Christopher & Banks Private Equity V Limited	Fully paid ordinary	905,478	4,418,732.64
5 October 2015*	Christopher Huljich	Christopher Peter Huljich + Constance Maria Francis Huljich + Elizabeth Anne Ferguson + Colin Gordon Powell + Peter Karl Christopher Huljich	Fully paid ordinary	57,636	281,263.68
5 October 2015	Graham Shaw	Graham John Shaw + Delwyn Joy Shaw	Fully paid ordinary	102,459	499,999.92
5 October 2015*	Peter Huljich**	Christopher & Banks Private Equity V Limited	Fully paid ordinary	905,478	4,418,732.64
5 October 2015*	Peter Huljich**	Christopher Peter Huljich + Constance Maria Francis Huljich + Elizabeth Anne Ferguson + Colin Gordon Powell + Peter Karl Christopher Huljich	Fully paid ordinary	57,636	281,263.68
20 October 2015*	Christopher Huljich	Christopher Peter Huljich + Colin Gordon Powell	Fully paid ordinary	50,000	Gift
20 October 2015	Douglas Kemsley	Douglas David Kemsley + Linda Tanu Kemsley + Michael John Roberts	Fully paid ordinary	(393,787)	1,704,044.90
20 October 2015*	Peter Huljich**	Christopher Peter Huljich + Colin Gordon Powell	Fully paid ordinary	50,000	Gift

* These transactions involve the same shares due to common interest through beneficial interest, registered holding or power to control

** Alternate Director for Christopher Huljich - resigned 17 May 2016

Interest register disclosure

Insurance of Directors

For the purposes of section 162 of the Companies Act 1993 Directors disclosed insurance effected for Directors and officers in relation to any act or omission in their capacity as Directors and Officers of the Company.

General disclosure

In accordance with section 140 of the Companies Act 1993 Directors of the Company have disclosed interests in the following entities during the year ended 31 March 2016 in addition to those disclosed elsewhere in this report:

Name	Position	Party
Bruce GORDON	Director	Cristal Air International Limited
	Director	Energy Efficient Solutions Limited NZ (2016) Limited
	Director	Geelong Investments Limited
	Director	HRV Clean Water Limited
	Director	HRV Filters Limited
	Director	HRV Home Solutions Limited
	Director	HRV Marketing Limited
	Director	HRV Nelson Limited
	Director	HVAC Hero 2016 Limited
	Director	Just Air Melbourne Pty Limited
	Director	Safe Filters Limited
	Director	Safe Windows Limited
	Director	Ventilation Australia Pty Limited
	Advisor	University of Canterbury, Technology Transfer Committee
<i>(ceased 10 March 2016)</i>		
Christopher HULJICH	Director	Best Investments Limited
	Director	Christopher & Banks Private Equity Limited
	Director	Christopher & Banks Private Equity I Limited
	Director	Christopher & Banks Private Equity II Limited
	Director	Christopher & Banks Private Equity III Limited
	Director	Christopher & Banks Private Equity IV Limited
	Director	Christopher & Banks Private Equity V Limited
	Director	Huljich Family Trust Nominees Limited
	Director	Hulfam Investments Limited
Christopher HEASLIP	Director	Bitcoinica Consultancy Limited <i>(NOTE: Christopher Heaslip is a Director of Bitcoinica Consultancy Limited, which entered liquidation on 10 January 2013)</i>
	Director	NZC Trustees Limited
	Trustee	The New Zealand Network for Generosity (Charitable Trust)
<i>(ceased 17 July 2015)</i>		
Douglas KEMSLEY	Trustee	New Zealand Network For Generosity (Charitable Trust)
<i>(ceased 1 April 2015)</i>		
	Trustee	Gateway Community Trust
Graham SHAW	Director	Aridon IP Holdings Limited
	Director	Aridon Holdings Limited
	Director	Gentrack Group Limited
	Director	Gentrack Share Sale Company Limited
	Director	Beep Limited
	Trustee	Benevolo Trust

(Continued)

Name	Position	Party
	Director	Corporate Concern Limited
	Director	RightWay Limited
	Director	Solvam Corporation Limited
	Director	Spotlight Reporting Limited
	Director	Zed Holdings Limited
(ceased 22 July 2015)	Director	Xero Limited
(ceased 22 July 2015)	Director	Xero Trustee Limited
Peter HULJICH (Alternate Director for Christopher Huljich - resigned 17 May 2016)	Director	Llireva Holdings Limited
	Director	Huljich (New Zealand) Limited
	Director	Huljich Limited
	Director	HWM (NZ) Holdings Limited
	Director	Huljich Family Trust Nominees Limited

Use of company information

The Board received no notice during the year from Directors requesting to use the Company or Group information received in their capacity as directors which would not have been otherwise available to them.

Substantial product holders

According to substantial product holder notices filed up to 30 April 2016, the substantial product holders in Pushpay were as follows:

Substantial product holder	Number of ordinary shares at time of disclosure	Post-split* equivalent number of ordinary shares	Percentage of issued shares held at time of disclosure
Aaron Richard Bhatnagar	2,703,295	10,813,180	5.02%
Christopher & Banks Private Equity V Limited	11,805,188	47,220,752	23.61%
Christopher Heaslip	7,428,037	29,712,148	14.86%
Christopher Peter Huljich	14,962,296	59,849,184	29.92%
DDS Trustee Services Limited	7,428,037	29,712,148	14.86%
Douglas David Kemsley	3,500,000	14,000,000	6.06%
Douglas David Kemsley & Linda Tanu Kemsley and Michael John Roberts	3,500,000	14,000,000	6.06%
Eliot Barry Crowther	7,079,744	28,318,976	14.36%

(Continued)

Substantial product holder	Number of ordinary shares at time of disclosure	Post-split* equivalent number of ordinary shares	Percentage of issued shares held at time of disclosure
Eliot Crowther & Dorette Crowther & Crowther Trustee Limited	7,079,744	28,318,976	14.36%
Peter Karl Christopher Huljich**	14,937,296	59,749,184	29.87%
Pushpay Holdings Limited	66,061,876	66,061,876	28.58%

* Pushpay undertook a 4:1 share split on 9 February 2016, this resulted in Pushpay shareholders holding, after the share split, four fully paid ordinary shares for each fully paid ordinary share held by them at 5:00 pm on the record date of 5 February 2016

** Alternate Director for Christopher Huljich - resigned 17 May 2016

Twenty largest equity security holders

The 20 largest holders of Pushpay ordinary shares as at 30 April 2016 are listed below:-

	Number of shares	% Issued capital
1. Christopher & Banks Private Equity V Limited	54,215,572	23.45
2. DDS Trustee Services Limited	29,712,148	12.85
3. Eliot Crowther & Dorette Crowther & Crowther Trustee Limited	27,918,976	12.08
4. Douglas David Kemsley & Linda Tanu Kemsley & Michael John Roberts	14,000,000	6.06
5. FNZ Custodians Limited	10,767,075	4.66
6. Christopher Peter Huljich & Colin Gordon Powell	8,371,924	3.62
7. Shannon Trustee Company Limited & Ruth Shannon & Ross Shannon	7,625,236	3.30
8. Rodney Macdonald & Rex Macdonald & Leonard Gardner	5,325,792	2.30
9. Pushpay Trustees Limited	4,384,232	1.90
10. Christopher Peter Huljich & Constance Maria Huljich & Elizabeth Anne Ferguson	3,999,812	1.73
11. New Zealand Central Securities Depository Limited	3,105,050	1.34
12. Noah John Hickey & Susannah Rose Hickey & Hayman Trustees Limited	2,848,544	1.23
13. Huljich Holdings Pty Limited	2,422,732	1.05
14. Aaron Richard Bhatnagar & Alexander Ernest Houghton	2,065,572	0.89
15. Timothy John Cook	2,013,996	0.87
16. Jason Timothy Kilgour	1,998,348	0.86
17. Perry Savill Trustees Limited & George Savill & Phillida Perry	1,442,316	0.62
18. Milan Barbarich	1,306,954	0.57
19. Bradley Scott Dvorak	1,285,314	0.56
20. JBWERE (NZ) Nominees Limited	1,166,100	0.50

Spread of security holders

The spread of security holders of ordinary issued shares as at 30 April 2016 are listed below:

Range	Shareholders		Issued capital	
	Number	%	Number	%
1-1,000	120	14.53	69,896	0.03
1,001-5,000	261	31.60	761,742	0.33
5,001-10,000	120	14.53	897,948	0.39
10,001-50,000	161	19.49	3,766,851	1.63
50,001-100,000	50	6.05	3,587,308	1.55
100,001 and over	114	13.80	222,082,335	96.07
Total	826	100.00	231,166,080	100.00

Remuneration of auditors

	Group	
	2016	2015
	\$000	\$000
Audit of the financial statements	55	25
Other services		
Financial reporting services half year review	-	9
Agreed upon procedures engagement	11	-
Tax services	5	5
Audit of acquisition accounting	-	4
	71	43

The audit fee includes the fees for both the annual audit of the financial statements and the review of the interim financial statements. The auditor of Pushpay is Deloitte New Zealand.

Donations

No donations were made by the Group during the year ended 31 March 2016 (2015: Nil).

Credit rating

Pushpay has no credit rating.

Subsidiaries

The following people hold office as Directors of subsidiary companies as at 31 March 2016:-

e-Church Inc - Christopher HEASLIP, Eliot CROWTHER
Pushpay Pty Limited - Christopher HEASLIP, Eliot CROWTHER, Jeremy EVERETT
Pushpay Inc - Christopher HEASLIP
Pushpay IP Limited - Bruce GORDON, Christopher HEASLIP
Pushpay Limited - Bruce GORDON, Christopher HEASLIP
Pushpay Trustees Limited - Bruce GORDON, Christopher HEASLIP
Pushpay (New Zealand) Limited (formerly Run The Red Limited) - Eliot CROWTHER, Bruce GORDON, Christopher HEASLIP
Zip Zap Processing Inc - Christopher HEASLIP

Directory

Registered office

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Auckland 1010
New Zealand

Phone: +64 9 377 7720

Postal address

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Auckland 1142
New Zealand

Company number

3481675

Website

www.pushpay.com

Investor Relations

Sarah Elder

investors@pushpay.com

Directors

Bruce Gordon
Chairman

Graham Shaw

Christopher Huljich

Douglas Kemsley

Christopher Heaslip

Eliot Crowther

Peter Huljich
*(Alternate Director for
Christopher Huljich -
resigned 17 May 2016)*

Leadership team

Christopher Heaslip
CEO and Co-founder

Shane Sampson
CFO

Paul Shingles
COO

Steve Basden
VP of Processing

Legal advisors

Harmos Horton Lusk
New Zealand

Corrs Chambers
Westgarth
Australia

Nixon Peabody
USA

Auditor

Deloitte New Zealand

Stock Exchange

NZX Main Board

Share Registrar

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