

Appendix A.

Financial Disclosure in Careers New Zealand Annual Report 2014/15

Note 23: Business combination

On 30 June 2015 Careers New Zealand acquired full ownership of the business OOMPHER.

OOMPHER is a motivational website containing video interviews with high profile and successful New Zealanders.

Under the purchase agreement videos, the goodwill of the business including business contracts, trademarks, trade names, brands, logos and other intellectual property were purchased.

Details of the business combination are as follows:

Amount settled in cash as at acquisition date	\$22,500
Contingent liability	\$155,450
<u>Contingent asset</u>	<u>(\$25,450)</u>
Total contingent consideration (note 11)	\$130,000

Recognised amount of identified assets:

Intangible assets (note 10)	\$168,000
Bargain purchase gain (note 3)	\$15,500

The intangible assets consist of the videos fair valued at acquisition date. The fair value was determined by current market value to produce equivalent videos. A nil fair value was assigned to the purchase of the goodwill of the business including the business contracts, trademarks, brands, logos and other IP due to the associated uncertainties.

The contingent consideration is determined by all conditions of the sales and purchase agreement. All contingent consideration conditions have been met as at 31 August 2015. The total net cash outflow of the consideration is \$130,000.