Quickfee Pty Ltd

ABN 75 135 670 674

Annual Report - 30 June 2017

Quickfee Pty Ltd
Directors' report
30 June 2017

The directors present their report, together with the financial statements, on the Company for the year ended 30 June 2017.

Directors
The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dale Smorgon
Antony Cohen
Bruce Coombes
Franco Dogliotti (Appointed 8 January 2019)

Company Secretary
The Company Secretary is Jennifer James.

Dividends
During the year a fully franked dividend of $400,000 was paid to shareholders (30 June 2016: $200,000)

Principal Activities
The principal activities of the Company are to provide a short-term loan finance solution to professional services firms across Australia.

Review of operations
The profit for the Company after providing for income tax amounted to $449,356 (30 June 2016: $469,088).

The company continued steady growth and capitalised on the broad market acceptance of its solution. The expansion into the legal market continued to produce results.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Company during the financial year.

Shares under option
There were no shares under option on issue at 30 June 2017 (30 June 2016: nil).

Matters subsequent to the end of the financial year
The following matters have significantly affected the Company since 30 June 2017.

During the year to 30 June 2018 a return of capital was completed by the Company which resulted in $300,000 being returned to the Shareholders; and

On 8 January 2019 Franco Dogliotti was appointed a Director of the Company.

On 23rd January 2019 the Company issued 29,706 shares with a total value of $120,000.

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations
The Company plans to complete an Initial Public Offering on the ASX towards the end of the 2019 financial year and continue to grow its loan book considerably following the injection of capital

Environmental regulation
The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Non- audit services
There were no non-audit services provided to the Company during the financial year (30 June 2016: $nil)

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

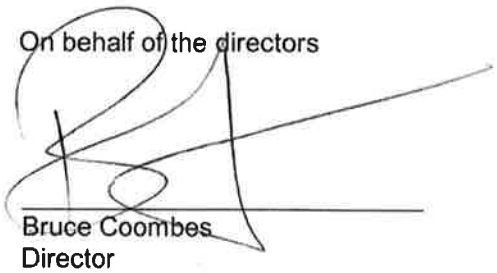
During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Bruce Coombes
Director

23 April 2019

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF QUICKFEE PTY LTD

I declare that, to the best of my knowledge and belief during the year ended 30 June 2017 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow
Director
Dated this 23rd day of April 2019

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Quickfee Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Revenue	3	2,805,343	2,992,329
Expenses			
Employee benefits		(612,573)	(738,815)
Depreciation		(24,358)	(10,878)
Marketing		(122,833)	(131,734)
Travel		(72,910)	(47,931)
Credit insurance		(128,603)	(145,990)
Other expenses		(435,452)	(291,255)
Finance costs		(782,080)	(901,768)
Profit before income tax expense		626,534	723,958
Income tax expense	5	(177,178)	(254,870)
Profit after income tax expense for the year		449,356	469,088
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		449,356	469,088

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Quickfee Pty Ltd
Statement of financial position
As at 30 June 2017

	Note	30 Jun 2017 $	30 Jun 2016 $
Assets			
Current assets			
Cash and cash equivalents		677,778	683,132
Trade and other receivables	6	13,199,972	11,585,645
Term deposit		25,000	826
Prepayments		85,317	43,775
Total current assets		13,988,067	12,313,378
Non-current assets			
Trade receivables		353,374	286,642
Plant and equipment		10,540	34,807
Deferred tax		-	6,192
Total non-current assets		363,914	327,641
Total assets		14,351,981	12,641,019
Liabilities			
Current liabilities			
Trade and other payables	7	1,149,938	514,195
Related party borrowings	8	-	660,000
Borrowings	9	10,908,177	9,179,234
Income tax payable		-	133,765
Total current liabilities		12,058,115	10,487,194
Non-current liabilities			
Borrowings	9	331,762	257,976
Deferred tax liabilities		16,899	-
Total non-current liabilities		348,661	257,976
Total liabilities		12,406,776	10,745,170
Net assets		1,945,205	1,895,849
Equity			
Issued capital		1,000,000	1,000,000
Retained profits		945,205	895,849
Total equity		1,945,205	1,895,849

The above statement of financial position should be read in conjunction with the accompanying notes

Quickfee Pty Ltd
Statement of changes in equity
For the year ended 30 June 2017

	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2015	3,000,000	626,761	3,626,761
Profit after income tax expense for the year	-	469,088	469,088
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	469,088	469,088
Transactions with owners in their capacity as owners:			
Return of capital	(2,000,000)	-	(2,000,000)
Dividends paid (note 10)	-	(200,000)	(200,000)
Balance at 30 June 2016	1,000,000	895,849	1,895,849

	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2016	1,000,000	895,849	1,895,849
Profit after income tax expense for the year	-	449,356	449,356
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	449,356	449,356
Transactions with owners in their capacity as owners:			
Dividends paid (note 10)	-	(400,000)	(400,000)
Balance at 30 June 2017	1,000,000	945,205	1,945,205

The above statement of changes in equity should be read in conjunction with the accompanying notes

Quickfee Pty Ltd
Statement of cash flows
For the year ended 30 June 2017

	Note	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,694,450	2,963,546
Payments to suppliers and employees (inclusive of GST)		(2,315,117)	(1,680,022)
Finance costs paid		(782,080)	(901,768)
Income tax paid		(287,852)	(189,791)
Net cash from/(used in) operating activities	17	(690,599)	191,965
Cash flows from investing activities			
Payments for plant and equipment		-	(19,070)
Investment in term deposit		(25,000)	-
Net cash used in investing activities		(25,000)	(19,070)
Cash flows from financing activities			
Proceeds from third party borrowings		1,770,245	9,549,481
Repayment of borrowings		-	(4,800,000)
Proceeds from related party borrowings		-	660,000
Repayment of related party borrowings		(660,000)	(3,000,000)
Payments for return of capital		-	(2,000,000)
Dividends paid	10	(400,000)	(200,000)
Net cash from financing activities		710,245	209,481
Net increase in cash and cash equivalents		(5,354)	382,376
Cash and cash equivalents at the beginning of the financial year		683,132	300,756
Cash and cash equivalents at the end of the financial year		677,778	683,132

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted
The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

The Company has also early adopted AASB 15 - Revenue and AASB 9 - Financial Instruments from 1 July 2016. The impact of these standards has been discussed in detail below

AASB 15 Revenue from Contracts with Customers ("AASB 15")
The Company has adopted AASB 15 as issued in May 2014 with the date of initial application being 1 July 2016. In accordance with the transition provisions in AASB 15 the standard has been applied using the modified retrospective approach. On this basis there were no restatements of prior comparative balances.

AASB 15 supersedes AASB 118 – Revenue, AASB 111 Construction Contracts and related interpretations and it applies to all revenue arising from contracts with customers, unless these contracts are in scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15 Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

At 1 July 2016 all material contracts were assessed by the Company and it was determined that the adoption of AASB 15 had no significant impact on the Company. The updated accounting policy for revenue has been disclosed below.

AASB 9 Financial Instruments ("AASB 9")
The Company has adopted AASB 9 as issued in July 2014 with the date of initial application being 1 July 2016. In accordance with the transitional provisions in AASB 9, comparative figures have not been restated. AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement ("AASB 139"), bringing together all three aspects of the accounting for financial instruments: clarification and measurement; impairment; and hedge accounting. The accounting policies have been updated to reflect the application of AASB 9 below.

Measurement and classification
At the date of initial application, existing financial assets and liabilities of the Company were assessed in terms of the requirements of AASB 9. The assessment was conducted on instruments that had not been de-recognised as at 1 July 2016. In this regard the Company has determined that the adoption of AASB 9 has impacted the classification of financial instruments at 1 July 2016 as follows:

Class of financial instrument presented in the statement of financial position	Original measurement category under AASB 139 (i.e. prior to 1 July 2018)	New Measurement category under AASB 9 (i.e. from I July 2018)
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost
Trade and other receivables	Loans and receivables	Financial assets at amortised cost
Trade and other payables	Financial liability at amortised cost	Financial liability at amortised cost
Loans and borrowings	Financial liability at amortised cost	Financial liability at amortised cost

The change in classification has not resulted in any re-measurement adjustments at 1 July 2016.

Basis of preparation
These general purpose financial statements have been prepared in accordance with International Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB'), as appropriate for for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Note 1. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Impairment of financial assets
In relation to the financial assets carried at amortised cost, AASB 9 requires an expected credit loss model to be applied as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. AASB 9 requires the Company to measure the loss allowance at an amount equal to lifetime expected credit loss ("ECL") if the credit risk on the instrument has increased significantly since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition the Company is required to measure the loss allowance for that financial instrument at an amount equal to the ECL within the next 12 months.

At 1 July 2016, the Company reviewed and assessed the existing financial assets for impairment using reasonable and supportable information. In accordance with AASB 9, where the Company concluded that it would require undue cost and effort to determine the credit risk of a financial asset on initial recognition, the Company recognises lifetime ECL. The result of the assessment is as follows;

Items existing at 1 July 2016 that are subject to the impairment provisions of AASB 9	Credit risk attributes	Cumulative additional loss allowance required on 1 July 2016
Cash and cash equivalents	All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable financial institutions.	-
Trade receivables	The Company applied the simplified approach and concluded that the lifetime ECL would be negligible on receivable balances not already provided for and therefore no loss allowance was required at 1 July 2016.	-

Revenue recognition
The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step process outlined in AASB 15 which is as follows:
Step 1: Identify the contract with a customer;
Step 2: Identify the performance obligations in the contract and determine at what point they are satisfied;
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations;
Step 5: Recognise revenue as the performance obligations are satisfied.

Following the adoption of AASB 15, on 1 July 2016, the Company's revenue recognition accounting policy is that:
• The performance obligation for revenue recognition is satisfied over the life of the loans granted by the Company to its customers. Interest revenue and application fee revenue is therefore recognised over the life of the loan agreement. The majority of the Company's loans are for a period of 12 months or less.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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 with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Issued capital
Ordinary shares are classified as equity.

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

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Note 3. Revenue

	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Interest revenue	2,468,803	2,656,984
Application fee revenue	304,228	287,885
Other revenue	32,312	47,460
Revenue	2,805,343	2,992,329

Note 4. Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by 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. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

During the year ended 30 June 2017and 30 June 2016 the Company operated in one business and geographical segment, being a provider of loan finance to the professional services industry in Australia.

Note 5. Income tax expense

	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	626,534	723,958
Tax at the statutory tax rate of 30%	187,960	217,187
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	3,120	3,111
	191,080	220,298
Over / (under) provision from prior period	(13,902)	34,572
Income tax expense	177,178	254,870

Note 6. Current assets - trade and other receivables

	30 Jun 2017 $	30 Jun 2016 $
Trade receivables	14,024,855	12,284,167
Less unearned interest	(884,746)	(821,177)
Less: Provision for impairment of receivables	(10,000)	(24,435)
	13,130,109	11,438,555
Related party receivable - Quickfee New Zealand	5,308	145,500
Other receivables	64,555	1,590
	13,199,972	11,585,645

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $299,733 as at 30 June 2017.

Note 6. Current assets - trade and other receivables (continued)

The ageing of the past due but not impaired receivables are as follows:

	30 Jun 2017 $
1-30 days overdue	297,223
31-60 days overdue	2,510
	299,733

Note 7. Current liabilities - trade and other payables

	30 Jun 2017 $	30 Jun 2016 $
Outstanding loan settlements	1,094,195	470,457
Other payables	55,743	43,738
	1,149,938	514,195

Refer to note 11 for further information on financial instruments.

Note 8. Current liabilities - Related party borrowings

	30 Jun 2017 $	30 Jun 2016 $
Derida Pty Ltd	-	200,000
Carrot Consulting Pty Ltd	-	460,000
	-	660,000

Related party loans are held with Companies controlled by Bruce Coombes. The loans were repaid in July 2017.

Refer to note 11 for further information on financial instruments.

Note 9. Borrowings

Current	30 Jun 2017 $	30 Jun 2016 $
Loans and borrowings	11,016,835	9,320,376
Less repaid borrowing costs	(108,658)	(141,142)
	10,908,177	9,179,234
Non-current		
Loans and borrowings	331,762	257,976
	11,239,939	9,437,210

Note 9. Borrowings (continued)

A loan with a limit of $15,000,000 (2016: $15,000,000) was entered into with Lease Collateral Pty Ltd The loan attracts interest at a rate of 3.95% plus the base rate as published by the Reserve Bank of Australia. The loan matures 12 months after the date that a termination notice is sent by either party. As at the date of this report a termination notice had not been received from either party.

However, there is an established business practice for partial repayments following receipt of funds from the Company's loan customers in accordance with their loan schedule. Non-current loans represent loans whereby the loan customer is not required to repay to the Company within 12 months and thus the obligation of the Company to repay these loans would also be for a longer period than 12 months.

The loan is secured over the Quickfee Pty Ltd loan book and does not have an equity conversion feature.

Note 10. Equity - dividends

During the year a fully franked dividend of $400,000 was paid to shareholders (30 June 2016: $200,000)

Note 11. Financial instruments

Financial Risk Management Objectives
The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk.

Risk management is carried out under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk
The Company's functional and presentation currency is Australian dollars. There are no substantial transactions entered into in a foreign currency, which would give risk to a foreign currency risk.

Price risk
The Company is not exposed to any significant price risk.

Interest rate risk
The Company is not exposed to interest rate risk as loans and borrowings and interest received as revenue from customers are set at fixed interest rates. The exception to this is loans and borrowings with Lease Collateral Pty Ltd which has a variable component being the base rate stipulated by the Reserve Bank of Australia. If the RBA rate moved by 0.25% it would increase / decrease the interest expense by $28,371.

Credit risk
The Company is not exposed to any significant credit risk due to the fact that the Company has recourse against the borrowers to recover amounts in respect of unpaid invoices used as collateral for any loan granted. Historically the risk of default has been minimal due to the underlying professional services firms being low risk. The Company also has credit insurance to mitigate against the risk of default and there is not a significant risk of concentration.

Liquidity risk
Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

Note 11. Financial instruments (continued)

The Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

30 Jun 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other receivables	-	13,199,972	353,374	-	-	13,553,346
Prepayments and deposits	-	85,317	-	-	-	85,317
Term deposit	2.30%	25,000	-	-	-	25,000
Trade and other payables	-	(1,149,938)	-	-	-	(1,149,938)
Interest-bearing						
Other loans	5.45%	(10,908,177)	(331,762)	-	-	(11,239,939)
Total non-derivatives		1,252,174	21,612	-	-	1,273,786

30 Jun 2016	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other receivables	-	11,585,645	286,642	-	-	11,872,287
Prepayments and deposits	-	43,775	-	-	-	43,775
Term deposit	2.3%	826	-	-	-	826
Trade and other payables	-	(514,195)	-	-	-	(514,195)
Interest-bearing						
Related party loans	12.00%	(660,000)	-	-	-	(660,000)
Other loans	5.45%	(9,179,234)	(257,976)	-	-	(9,437,210)
Total non-derivatives		1,276,817	28,666	-	-	1,305,483

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 12. Key management personnel disclosures

Directors
The following persons were directors of Quickfee Pty Ltd during the financial year:

Dale Smorgon
Antony Cohen
Bruce Coombes

Note 12. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Short-term employee benefits (including superannuation)	180,000	330,000

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of the Company:

	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Audit services - William Buck		
Audit of the financial statements	20,000	-

Note 14. Contingent assets and liabilities

The Company does not have any contingent assets or liabilities at 30 June 2017 or 30 June 2016.

Note 15. Related party transactions

Parent entity
Quickfee Pty Ltd is the Parent Entity

Key management personnel
Disclosures relating to key management personnel are set out in note 12.

Transactions with related parties
there were no transactions with related parties during the current and previous financial year other than the repayment of loans in July 2017 as described in note 8.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
Related party loans were repaid during the year to 30 June 2017 as described in note 8.

Note 16. Matters subsequent to the end of the financial year

The following matters have significantly affected the Company since 30 June 2017.

During the year to 30 June 2018 a return of capital was completed by the Company which resulted in 300,000 shares at a value of $1 per share being returned to the Company; and

On 8 January 2019 Franco Dogliotti was appointed a Director of the Company.

On 23rd January 2019 the Company issued 29,706 shares with a total value of $120,000.

Note 16. Events after the reporting period (continued)

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 17. Reconciliation of profit after income tax to net cash from/(used in) operating activities

	Year-ended 30 Jun 2017 $	Year-ended 30 Jun 2016 $
Profit after income tax expense for the year	449,356	469,088
Adjustments for:		
Depreciation	24,267	10,878
Amortisation of borrowing costs	32,484	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,744,629)	(118,821)
(Increase) / decrease in prepayments and deposits	(40,716)	148,067
Increase / (decrease) in trade and other payables	635,743	(365,425)
Increase / (decrease) in unearned income	63,570	(16,901)
(Decrease) / increase in tax liabilities	(110,674)	65,079
Net cash from/(used in) operating activities	(690,599)	191,965

Quickfee Pty Ltd
Directors' declaration
30 June 2017

In accordance with a resolution of the directors of Quickfee Pty Ltd I state that:

1. In the opinion of the directors:

   (a) The financial statements and notes of Quickfee Pty Ltd for the financial year ended 30 June 2017 are in accordance with the Corporations Act 2001 (Cth), including:

      (i) giving a true and fair view of its financial position as at 30 June 2018 and of its performance;
      (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001 (Cth);

   (b) The financial statements and notes also comply with International Financial Reporting Standards

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 (Cth) for the financial year ended 30 June 2017.

Bruce Coombes
Director

23 April 2019

Quickfee Pty Ltd

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Quickfee Pty Ltd. (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company, is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that we have complied with the independence requirements of the *Corporations Act 2001.*

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

Other Matter

The financial report for QuickfeePty Ltd for the year ended 30 June 2016 was unaudited. Accordingly we do not express an opinion in respect of the comparative data included in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

CHARTERED ACCOUNTANTS & ADVISORS

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

William Buck

William Buck (Vic) Pty Ltd
ABN 59 116 151 136

N.S. Benbow
Director

Melbourne, 23 April 2019