# Quickfee Pty Ltd

**ABN 75 135 670 674**

## Financial Report – For the nine-month period ended 31 March 2019

**Quickfee Pty Ltd**
**Directors' report**
**For the nine-month period ended 31 March 2019**

The directors present their report, together with the financial statements, on the Company for the nine-month period ended 31 March 2019.

**Directors**
The following persons were directors of the Company during the whole of the period 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 $580,000 was paid to shareholders (30 June 2018: $299,000)

**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 $603,123 (30 June 2018: $580,005).

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

Other than the matters noted above 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 31 March 2019 (30 June 2018: nil).

**Matters subsequent to the end of the financial year**
No matter or circumstance has arisen since 31 March 2019 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 period (30 June 2018: $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.

**Quickfee Pty Ltd**
**Directors' report**
**For the nine month period ended 31 March 2019**

**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.

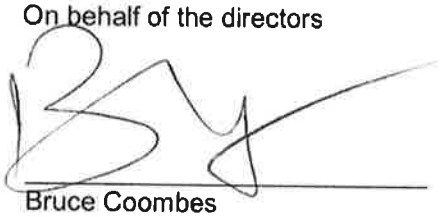
During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

**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 nine-month period ended 31 March 2019 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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Praxity MEMBER GLOBAL ALLIANCE OF INDEPENDENT FIRMS

**Quickfee Pty Ltd**
**Statement of profit or loss and other comprehensive income**
**For the nine-month period ended 31 March 2019**

| | Note | Nine-month period ended 31 March 2019 $ | Year ended 30 June 2018 $ |
|---|---|---|---|
| **Revenue** | 3 | 3,322,986 | 3,547,665 |
| **Expenses** | | | |
| Employee benefits | | (883,080) | (904,087) |
| Depreciation | | - | (15,921) |
| Marketing | | (31,106) | (85,692) |
| Travel | | (89,159) | (71,311) |
| Credit insurance | | (148,871) | (176,824) |
| Other expenses | | (307,542) | (470,360) |
| Finance costs | | (1,028,368) | (1,020,490) |
| **Profit before income tax expense** | | 834,860 | 802,980 |
| Income tax expense | 5 | (231,737) | (222,975) |
| **Profit after income tax expense for the year** | | 603,123 | 580,005 |
| Other comprehensive income for the year, net of tax | | - | - |
| **Total comprehensive income for the year** | | 603,123 | 580,005 |

*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 31 March 2019**

| | Note | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | | 741,516 | 1,239,144 |
| Trade and other receivables | 6 | 20,519,918 | 19,395,122 |
| Term deposit | | 25,000 | 25,000 |
| Prepayments | | 32,226 | 49,384 |
| Total current assets | | 21,318,660 | 20,708,650 |
| **Non-current assets** | | | |
| Trade receivables | | 112,189 | 271,318 |
| Plant and equipment | | 2,184 | - |
| Total non-current assets | | 114,373 | 271,318 |
| **Total assets** | | 21,433,033 | 20,979,968 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 7 | 1,864,377 | 1,886,177 |
| Related party borrowings | 8 | 1,200,000 | 1,300,000 |
| Borrowings | 9 | 16,042,667 | 15,533,446 |
| Income tax payable | | 150,081 | 86,247 |
| Total current liabilities | | 19,257,125 | 18,805,870 |
| **Non-current liabilities** | | | |
| Borrowings | 9 | 100,970 | 242,283 |
| Deferred tax | | 5,605 | 5,605 |
| Total non-current liabilities | | 106,575 | 247,888 |
| **Total liabilities** | | 19,363,700 | 19,053,758 |
| **Net assets** | | 2,069,333 | 1,926,210 |
| **Equity** | | | |
| Issued capital | | 820,000 | 700,000 |
| Retained profits | | 1,249,333 | 1,226,210 |
| **Total equity** | | 2,069,333 | 1,926,210 |

*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 nine month period ended 31 March 2019**

| | Issued capital $ | Retained profits $ | Total equity $ |
|---|---|---|---|
| Balance at 1 July 2017 | 1,000,000 | 945,205 | 1,945,205 |
| Profit after income tax expense for the year | - | 580,005 | 580,005 |
| Other comprehensive income for the year, net of tax | - | - | - |
| Total comprehensive income for the year | - | 580,005 | 580,005 |
| *Transactions with owners in their capacity as owners:* | | | |
| Return of the capital to the Company | (300,000) | - | (300,000) |
| Dividends paid | - | (299,000) | (299,000) |
| Balance at 30 June 2018 | 700,000 | 1,226,210 | 1,926,210 |

| | Issued capital $ | Retained profits $ | Total equity $ |
|---|---|---|---|
| Balance at 1 July 2018 | 700,000 | 1,226,210 | 1,926,210 |
| Profit after income tax expense for the year | - | 603,123 | 603,123 |
| Other comprehensive income for the year, net of tax | - | - | - |
| Total comprehensive income for the year | - | 603,123 | 603,123 |
| *Transactions with owners in their capacity as owners:* | | | |
| Issue of shares | 120,000 | - | 120,000 |
| Dividends paid | - | (580,000) | (580,000) |
| Balance at 31 March 2019 | 820,000 | 1,249,333 | 2,069,333 |

*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 nine-month period ended 31 March 2019**

| | Note | Nine-month period ended 31 March 2019 $ | Year ended 30 June 2018 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of GST) | | 3,214,454 | 3,217,122 |
| Payments to suppliers and employees (inclusive of GST) | | (2,297,171) | (6,691,550) |
| Finance costs paid | | (1,028,368) | (1,020,490) |
| Income tax paid | | (167,903) | (148,022) |
| Net cash used in operating activities | 16 | (278,988) | (4,642,940) |
| **Cash flows from investing activities** | | | |
| Payment for plant and equipment | | (2,184) | - |
| Net cash used in investing activities | | (2,184) | - |
| **Cash flows from financing activities** | | | |
| Proceeds from third party borrowings | | 343,544 | 4,503,306 |
| Proceeds from related party borrowings | | 300,000 | 1,300,000 |
| Repayment of related party borrowings | | (400,000) | - |
| Proceeds from the issue of shares | | 120,000 | - |
| Payments for share buy-backs | | - | (300,000) |
| Dividends paid | | (580,000) | (299,000) |
| Net cash (used in) / from financing activities | | (216,456) | 5,204,306 |
| Net increase/(decrease) in cash and cash equivalents | | (497,628) | 561,366 |
| Cash and cash equivalents at the beginning of the financial year | | 1,239,144 | 677,778 |
| Cash and cash equivalents at the end of the financial year | | 741,516 | 1,239,144 |

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

**Quickfee Pty Ltd**
**Notes to the financial statements**
**For the nine-month period ended 31 March 2019**

## 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 as described in the financial report for the year ended 30 June 2017.

### 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, with the exception of financial assets which are held at fair value.

*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.

### 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.

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.

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.

**Note 1. Significant accounting policies (continued)**

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.

**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.

**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.

## Note 1. Significant accounting policies (continued)

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

| | Nine month period ended 31 March 2019 $ | Year ended 30 June 2018 $ |
|---|---|---|
| Interest revenue | 2,779,937 | 3,114,100 |
| Application fee revenue | 411,571 | 346,519 |
| Other revenue | 131,478 | 87,046 |
| Revenue | 3,322,986 | 3,547,665 |

## 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 nine-month period ended 31 March 2019 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

| | Nine-month period ended 31 March 2019 $ | Year ended 30 June 2018 $ |
|---|---|---|
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Profit before income tax expense | 834,860 | 802,980 |
| Tax at the statutory tax rate of 27.5% (30 June 2018: 27.5%) | 229,586 | 220,820 |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Entertainment expenses | 2,151 | 2,155 |
| Income tax expense | 231,737 | 222,975 |

## Note 6. Current assets - trade and other receivables

| | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| Trade receivables | 21,713,333 | 20,587,872 |
| Less: Unearned interest | (1,183,415) | (1,182,750) |
| Less: Provision for impairment of receivables | (10,000) | (10,000) |
| | 20,519,918 | 19,395,122 |

*Past due but not impaired*
Customers with balances past due but without provision for impairment of receivables amount to $638,666 as at 31 March 2019 ($1,134,116 as at 30 June 2018).

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

| | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| 1-30 days overdue | 481,530 | 495,223 |
| 31-60 days overdue | 98,801 | 136,017 |
| 61-90 days overdue | 16,482 | 434,473 |
| Over 90 days overdue | 41,853 | 68,403 |
| | 638,666 | 1,134,116 |

## Note 7. Current liabilities - trade and other payables

| | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| Trade payables | 27,495 | 35,982 |
| Outstanding loan settlements | 1,770,964 | 1,731,800 |
| Other payables | 65,918 | 105,831 |
| | 1,864,377 | 1,873,613 |

Refer to note 10 for further information on financial instruments.

## Note 8. Current liabilities - Related party borrowings

| | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| Derida Pty Limited | 400,000 | 300,000 |
| Carrot Consulting Pty Limited | 400,000 | 700,000 |
| Wingate Direct Investments Pty Limited | 400,000 | 300,000 |
| | 1,200,000 | 1,300,000 |

Refer to note 10 for further information on financial instruments.

The related party loan with Derida Pty Limited, where Dale Smorgon is a Director was entered into on 1 June 2018 and is repayable in full on 1 June 2019. The loan attracts interest at a rate of 12% per annum. The loan is unsecured and has a limit of $500,000.

The related party loan with Carrot Consulting Pty Limited, where Bruce Coombes is a Director was entered into on 1 June 2018 and is repayable in full on 1 June 2019. The loan attracts interest at a rate of 12% per annum. The loan is unsecured and has a limit of $900,000.

The related party loan with Wingate Direct Investments Pty Limited, where Franco Dogliotti is a Director was entered into on 1 June 2018 and is repayable in full on 1 June 2019. The loan attracts interest at a rate of 12% per annum. The loan is unsecured and has a limit of $500,000.

## Note 9. Borrowings

| Current | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| Loans and borrowings | 16,094,478 | 15,609,620 |
| Less: prepaid borrowing costs | (51,811) | (76,174) |
| | 16,042,667 | 15,533,446 |
| **Non-current** | | |
| Loans and borrowings | 100,970 | 242,283 |
| | 16,143,637 | 15,775,729 |

A loan with a limit of $20,000,000 (30 June 2018: $20,000,000) 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. 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 $40,359 (30 June 2018: $39,630).

**Note 10. Financial instruments (continued)**

***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.

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.

| **31 March 2019** | 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 | - | 20,519,918 | 112,189 | - | - | 20,632,107 |
| Prepayments | - | 32,226 | - | - | - | 32,226 |
| Term deposit | 2.30% | 25,000 | - | - | - | 25,000 |
| Trade and other payables | - | (1,864,377) | - | - | - | (1,864,377) |
| *Interest-bearing - variable* | | | | | | |
| Other loans | 5.45% | (16,042,667) | (100,970) | - | - | (16,143,637) |
| Related party loans | 12.00% | (1,200,000) | - | - | - | (1,200,000) |
| Total non-derivatives | | 1,470,100 | 11,219 | - | - | 1,481,319 |

| **30 June 2018** | 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 | - | 19,395,122 | 271,318 | - | - | 19,666,440 |
| Prepayments | - | 49,384 | - | - | - | 49,384 |
| Term deposit | 2.30% | 25,000 | - | - | - | 25,000 |
| Trade and other payables | - | (1,886,177) | - | - | - | (1,886,177) |
| *Interest-bearing - variable* | | | | | | |
| Other loans | 5.45% | (15,533,446) | (242,283) | - | - | (15,775,729) |
| Related party loans | 12.00% | (1,300,000) | - | - | - | (1,300,000) |
| Total non-derivatives | | 749,883 | 29,035 | - | - | 778,918 |

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

## Note 11. Key management personnel disclosures

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

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

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

| | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| Short-term employee benefits (including superannuation) | 210,000 | 280,000 |

## Note 12. 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:

| | 31 March 2019 $ | 30 June 2018 $ |
|---|---|---|
| *Audit services - William Buck* | | |
| Audit of the financial statements | 18,500 | 18,000 |

## Note 13. Contingent assets and liabilities

The Company does not have any contingent assets or liabilities at 31 March 2019 or 30 June 2018.

## Note 14. 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 11.

*Transactions with related parties*
There were no transactions with related parties during the current and previous financial year other than the draw down in loans as noted 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*
there were no transactions with related parties during the current and previous financial year other than the draw down in loans as noted in note 8.

## Note 15. Events after the reporting period

No matter or circumstance has arisen since 31 March 2019 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 16. Reconciliation of profit after income tax to net cash used in operating activities

| | Nine-month period ended 31 March 2019 $ | Year ended 30 June 2018 $ |
|---|---|---|
| Profit after income tax expense for the year | 603,123 | 580,005 |
| Adjustments for: | | |
| Depreciation | - | 10,540 |
| Amortisation of borrowing costs | 24,365 | 32,484 |
| Change in operating assets and liabilities: | | |
| Increase in trade and other receivables | (966,333) | (6,411,097) |
| Decrease in prepayments and deposits | 17,158 | 35,933 |
| (Decrease) / Increase in trade and other payables | (9,236) | 723,675 |
| (Decrease) / Increase in unearned income | (11,899) | 310,567 |
| Increase in tax liabilities | 63,834 | 74,953 |
| Net cash used in operating activities | (278,988) | (4,642,940) |

**Quickfee Pty Ltd**
**Directors' declaration**
**For the nine-month period ended 31 March 2019**

In the directors' opinion:

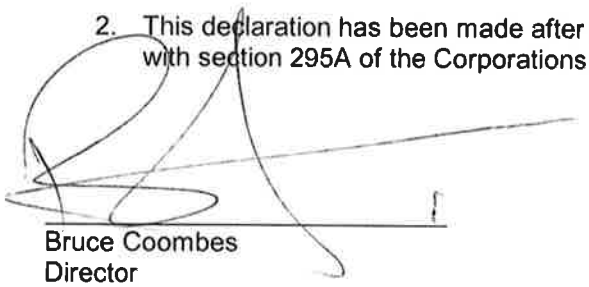
1. In the opinion of the directors:

   (a) The financial statements and notes of Quickfee Pty Ltd for the nine-month period ended 31 March 2019 are in accordance with the Corporations Act 2001 (Cth), including:

      (i) giving a true and fair view of its financial position as at 31 March 2019 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 nine-month period ended 31 March 2019.



Bruce Coombes
Director

23 April 2019

William Buck

# 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 31 March 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the nine-month period 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 31 March 2019 and of its financial performance for the nine-month period 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 Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the nine-month period ended 31 March 2019, 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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**williambuck.com**

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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