

# ASX ANNOUNCEMENT

27 September 2017

## **Letter to Shareholders: Independent Forensic Analysis Report**

Collection House Limited (ASX: CLH) has today circulated the attached letter to shareholders regarding resolutions proposed under section 249N of the *Corporations Act 2001*.

The CLH Annual General Meeting will be held on 28 November 2017, and the notice of meeting will be despatched shortly.

ENDS

*For more information please contact:*

Kristine May, Company Secretary  
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CLH

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
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SAMPLEVILLE VIC 3030

27 September 2017

Dear Collection House Shareholder,

You will shortly receive the notice of meeting for the Annual General Meeting to be held on 28 November 2017. A substantial shareholder, Ankla Pty Ltd ACN 074 315 432, of which Mr Lev Mizikovsky is the sole director, has given notice of its intention to move two resolutions at the AGM.

The AGM notice will be a lengthy document. The purpose of this shareholder letter is to provide some brief background information to the two shareholder resolutions proposed by Ankla Pty Ltd and to advise shareholders of the availability to inspect and read an independent forensic analysis report relating to one of the shareholder resolutions, prior to the AGM.

The first shareholder resolution calls for Collection House ('the Company') to disclose to members the report of the independent forensic accountant which examined the capitalisation of computer software development costs between 2011 and March 2017.

The second resolution seeks the removal of a director of the Company, Mr Philip Hennessy. Pursuant to a member's statement provided by Ankla Pty Ltd, Ankla Pty Ltd asserts that there is a very real potential for conflict to exist given Mr Hennessy's current roles with the Company, and the length of the previous relationship between Mr Hennessy and KPMG.

The board considers that this assertion by Ankla Pty Ltd is without any foundation. A more detailed response to this matter will be provided to shareholders with the AGM notice to be despatched in October.

#### **Disclosure of the independent forensic accountant report**

The first shareholder resolution states "That the Company disclose to members the Report of the independent forensic accountant".

On 16 May 2017 an independent 'Big 4' accounting firm was engaged to undertake a forensic analysis of the capitalised computer software development costs in the financial accounts of the Company and to independently assess whether such costs have been accounted for and capitalised in accordance with relevant Accounting Standards and properly recorded in the financial accounts of the Company. That analysis was completed, and a report provided to the Company, on 13 July 2017.

#### **Collection House Group**

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The independent forensic analysis supports the board's assessment that capitalised computer software development costs as at 30 June 2017 are appropriately documented, supported and reliably measured in accordance with relevant Accounting Standards.

The independent forensic analysis report is available to be inspected and read by shareholders at the registered office of the Company and at other mutually agreed locations for shareholders who do not reside in Brisbane. **Shareholders wishing to read the report may do so by contacting the company secretary on (07) 3292 1015 or by email [kristine.may@collectionhouse.com.au](mailto:kristine.may@collectionhouse.com.au).** **Appropriate arrangements can then be made to read the 137 page document, including exhibits.** Any shareholders who wish to obtain a copy of the report will be required to sign an appropriate release letter agreeing to the terms of engagement between the Company and the forensic accountant.

**A copy of this independent forensic analysis report was provided to ASIC on 24 July 2017 although there was no requirement to do so. We have not received any correspondence from ASIC in relation to the findings of the report.**

**Annual General Meeting:**

The AGM will be held on 28 November 2017 and despatch of the meeting notices will commence in October.

If shareholders have any queries regarding the matters raised in this letter please contact the company secretary, Kristine May on (07) 3292 1015 or at [kristine.may@collectionhouse.com.au](mailto:kristine.may@collectionhouse.com.au).

We look forward to seeing you at this year's AGM.

Yours faithfully

For and on behalf of the board

A handwritten signature in black ink, appearing to read "K Daly".

Kerry Daly