

**CABCHARGE AUSTRALIA LIMITED**  
**ABN 99 001 958 390**

**APPENDIX 4D**

Half Yearly Report  
Period ended 31 December 2017

**Results for announcement to the market**

*Extracts from this report for announcement to the market*

**\$A'000**

Revenues	<b>Up</b>	<b>13.8%</b>	to	<b>90,000</b>
Statutory net (loss) after tax for the period attributable to owners of the Company	<b>Up</b>	<b>95.2%</b>	to	<b>(5,109)</b>
<b>From continuing operations:</b>				
Revenues from continuing operations	<b>Up</b>	<b>13.8%</b>	to	<b>90,000</b>
Statutory net (loss) after tax for the period from continuing operations attributable to owners of the Company	<b>Down</b>	<b>274.1%</b>	to	<b>(4,747)</b>
<b>Dividends (distributions)</b>	Amount per share		Franked amount per share	
Interim dividend (2018 year) (2017 year)	4.0 ¢ 10.0 ¢		4.0 ¢ 10.0 ¢	
Special dividend (2018 year) (2017 year)	- 80.0 ¢		- 80.0 ¢	

Record date for determining entitlements to the dividend	<b>29 March 2018</b>
Date the interim dividend is payable	<b>30 April 2018</b>

	Dec 2017 \$	Dec 2016 \$
Net tangible assets per security	0.86	1.75

Dividends paid/declared	Date paid or scheduled	Paid or scheduled \$'000
2018 year interim – 4 cents per share	30 April 2018	4,817
2017 year final – 10 cents per share	31 October 2017	12,043
2017 year interim – 10 cents per share	28 April 2017	12,043
2017 year special – 80 cents per share	28 April 2017	96,345
2016 year final – 10 cents per share	31 October 2016	12,043

### **Commentary on the results**

Please refer to the 'Review of Operations' in the Directors' Report accompanying the attached Half Yearly Report for the six month ended 31 December 2017.

This information should be read in conjunction with the Consolidated Financial Statements of the Cabcharge Group for the year ended 30 June 2017. This report should also be read in conjunction with any public announcements made by Cabcharge in accordance with the continuous disclosure requirements arising under the Corporation Act 2001 and ASX Listing Rules.

A handwritten signature in dark ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Ton van Hoof  
**Group Financial Controller**

27 February 2018



**Consolidated Half Yearly Financial Statements**  
**31 December 2017**

## Consolidated Financial Statements

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## DIRECTORS' REPORT

The Directors of Cabcharge Australia Limited (the **Company** or **Cabcharge**) present their half yearly report on the Company and its controlled entities (together referred to as the **Group**) for the half year ended 31 December 2017 and the review report thereon.

### Directors

The Directors of Cabcharge Australia Limited in office at any time during or since the end of the half year are as follows:

Paul Oneile (Chairman)  
Andrew Skelton (Chief Executive Officer and Managing Director)  
Louise McCann – Appointed 29 August 2017  
Donnald McMichael  
Richard Millen  
Clifford Rosenberg – Appointed 29 August 2017  
Trudy Vonhoff

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

### Review of Operations

	31 Dec 17	31 Dec 16	Change %
Revenue from continuing operations (\$m)	90.0	79.1	13.8%
(Loss) / profit after tax from continuing operations (\$m)	-4.7	2.7	-274.1%
(Loss) after tax attributable to owners of the Company (\$m)	-5.1	-106.8	95.2%
(Loss) / earnings per share from continuing operations (cents)	-3.9	2.3	-274.1%
(Loss) per share attributable to owners of the Company (cents)	-4.2	-88.6	95.2%

Cabcharge reported revenues of \$90.0 million for the six months ended 31 December 2017, an increase of \$10.9 million or 14% compared to 1H17. The acquisition of Yellow Cabs Queensland completed on 31 July 2017 contributed \$15.5 million in revenues and \$0.6 million in profit before tax.

Taxi fares processed increased \$3.7 million or 1% to \$515.1 million. As anticipated, taxi service fee income decreased \$4.5 million or 16% due to the introduction in October 2017 of new regulations limiting service fee on non-cash payments to 5% in Queensland and the full period effect of previous changes made in South Australia, the Australian Capital Territory and the Northern Territory.

Network subscription fee income and brokered taxi plate license income increased \$4.9 million or 17% and \$2.1 million or 19% respectively. This revenue increase is primarily due to the acquisition of Yellow Cabs Queensland.

Owned taxi plate licence income decreased \$1 million or 37% to \$1.8 million due to lower taxi plate lease rates and the cessation of existing taxi plate licenses in Victoria effective October 2017.

Excluding non-cash impairment charges and capitalised development costs written-off in 1H17, operating expenses increased \$21.4 million or 36%. This increase is primarily attributable to the acquisition of Yellow Cabs Queensland and our previously announced increased investments in marketing and technology. The investments are being made to fuel sustainable growth in coming years.

Cabcharge recorded a net loss from continuing operations of \$4.7 million for the six months ended 31 December 2017, including non-cash impairment charges of \$12.3 million (1H17 \$8.3 million). This is a decrease of \$7.4 million compared to 1H17 and is mainly driven by non-cash impairment charges and reduced taxi service fee income.

Cabcharge's net assets as at 31 December 2017 were \$164 million (1H17 \$270.8 million) including net cash of \$17 million (1H17 net debt of \$80.0 million).

### **Events subsequent to balance date**

#### ***Dividend***

The Directors have declared an interim dividend of 4 cents per share (fully franked) which is scheduled to be paid on 30 April 2018. The record date to determine entitlement to interim dividend is 29 March 2018.

Other than the matter above, no matters or circumstances have arisen since 31 December 2017 that has significantly affected or may significantly affect the Group's operations in future financial periods, or the results of those operations in future financial periods, or the Group's state of affairs in future financial periods.

### **Lead auditor's independence declaration**

The lead auditor's independence declaration is set out on page 3 and forms part of the directors' report for the half year ended 31 December 2017.

### **Rounding**

The company is of a kind referred to in ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports) and in accordance with that Instrument, amounts in the consolidated interim financial statements and the directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors



Paul Oneile  
**Chairman**

27 February 2018



Andrew Skelton  
**Managing Director**

27 February 2018



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Cabcharge Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Cabcharge Australia Limited for the half-year ended 31 December 2017 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A stylized, handwritten signature of the KPMG firm, rendered in black ink.

KPMG

A handwritten signature in black ink, appearing to read 'Julie Cleary'.

Julie Cleary  
Partner

Sydney  
27 February 2018

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Notes	Dec 2017 \$'000	Dec 2016* \$'000 (Re-stated)
<b>Continuing operations</b>			
Revenue	2	90,000	79,057
Other income	2	2,292	5
Processing fees to taxi networks		(3,956)	(4,578)
Brokered taxi plate licence costs		(11,840)	(10,062)
Other taxi related costs		(3,190)	(1,194)
Taxi operating expenses		(1,976)	-
Courier service costs		(1,280)	-
Employee benefits expenses		(28,196)	(19,877)
General and administrative expenses		(15,088)	(10,238)
Transaction processing expenses		(1,702)	(2,252)
Depreciation		(5,409)	(6,636)
Amortisation		(1,669)	(845)
Impairment charges	6	(12,297)	(8,277)
Capitalised development costs written-off		-	(1,102)
Other expenses		(6,230)	(3,473)
<b>Results from operating activities</b>		<b>(541)</b>	<b>10,528</b>
Finance income		250	382
Finance costs		(581)	(2,235)
<b>Net finance costs</b>		<b>(331)</b>	<b>(1,853)</b>
<b>(loss) / profit before income tax</b>		<b>(872)</b>	<b>8,675</b>
Income tax expense	3	(3,875)	(5,949)
<b>(Loss) / profit after tax from continuing operations</b>		<b>(4,747)</b>	<b>2,726</b>
<b>Discontinued operations</b>			
(Loss) from discontinued operations (net of income tax)	5	(362)	(109,476)
<b>(Loss) for the year attributable to owners of the Company</b>		<b>(5,109)</b>	<b>(106,750)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Share of other comprehensive (loss) of associates, net of tax		-	(240)
Effective portion of change in fair value of cash flow hedge		-	1,324
Income tax on other comprehensive income		-	(397)
<b>Other comprehensive income for the year, net of income tax</b>		<b>-</b>	<b>687</b>
<b>Total comprehensive (loss) for the year attributable to owners of the Company</b>		<b>(5,109)</b>	<b>(106,063)</b>
<b>Earnings per share</b>			
<b>From continuing operations:</b>			
Basic (loss) / earnings per share (AUD)		(3.9 cents)	2.3 cents
Diluted (loss) / earnings per share (AUD)		(3.9 cents)	2.3 cents
<b>Total attributable to owners of the Company:</b>			
Basic (loss) per share (AUD)		(4.2 cents)	(88.6 cents)
Diluted (loss) per share (AUD)		(4.2 cents)	(88.6 cents)

\*The above comparative information has been re-stated to separately show those operations as discontinued operations.

The accompanying notes form an integral part of these Consolidated Half Yearly Financial Statements



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### AS AT 31 DECEMBER 2017

	Notes	Dec 2017 \$'000	Jun 2017 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		20,152	29,456
Trade and other receivables		63,313	78,755
Inventories		3,449	1,011
Prepayments		5,563	3,480
<b>TOTAL CURRENT ASSETS</b>		<b>92,477</b>	<b>112,702</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables		2,773	3,298
Financial assets		3,007	1,949
Property, plant and equipment		37,243	35,392
Net deferred tax assets		3,624	3,013
Taxi plate licences	6	20,879	33,247
Goodwill	6	27,899	15,249
Intellectual property	6	11,490	11,747
<b>TOTAL NON-CURRENT ASSETS</b>		<b>106,915</b>	<b>103,895</b>
<b>TOTAL ASSETS</b>		<b>199,392</b>	<b>216,597</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		25,138	25,775
Loans and borrowings		3,479	3,676
Current tax liabilities		123	967
Employee benefits		5,918	4,294
<b>TOTAL CURRENT LIABILITIES</b>		<b>34,658</b>	<b>34,712</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits		732	731
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>732</b>	<b>731</b>
<b>TOTAL LIABILITIES</b>		<b>35,390</b>	<b>35,443</b>
<b>NET ASSETS</b>		<b>164,002</b>	<b>181,154</b>
<b>EQUITY</b>			
Share capital		138,325	138,325
Reserves		228	228
Retained earnings		25,449	42,601
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF CABCHARGE AUSTRALIA LIMITED</b>		<b>164,002</b>	<b>181,154</b>

The accompanying notes form an integral part of these Consolidated Half Yearly Financial Statements

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Notes	Dec 2017 \$'000	Dec 2016 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers and others		630,789	615,185
Payments to suppliers, licensees and employees		(612,047)	(588,641)
Dividends received		98	10
Interest received		255	382
Finance costs paid		(200)	(1,938)
Income tax paid		(5,555)	(5,301)
<b>Net cash provided by operating activities</b>		<b>13,340</b>	<b>19,697</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(4,783)	(3,471)
Payments for development of intellectual property		(1,341)	(1,590)
Taxi industry assistance from Government		750	
Proceeds from sale of associate	5	12,906	-
Net capital gain tax paid		(254)	-
Acquisition of business assets, net of cash acquired		(20,886)	
Proceeds from sale of property, plant and equipment		3,204	14,016
<b>Net cash (used in) / provided by investing activities</b>		<b>(10,404)</b>	<b>8,955</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		410	9,510
Repayment of borrowings		(607)	(18,482)
Dividends paid	7	(12,043)	(12,043)
<b>Net cash (used in) financing activities</b>		<b>(12,240)</b>	<b>(21,015)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(9,304)</b>	<b>7,637</b>
Cash and cash equivalents at 1 July		29,456	13,039
<b>Cash and cash equivalents at 31 December</b>		<b>20,152</b>	<b>20,676</b>

The accompanying notes form an integral part of these Consolidated Half Yearly Financial Statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Notes	Share capital \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2017</b>		<b>138,325</b>	<b>228</b>	<b>42,601</b>	<b>181,154</b>
<b>Total comprehensive (loss) for the period</b>					
Loss for the period		-	-	(5,109)	(5,109)
<i>Other comprehensive income</i>					
Total other comprehensive income		-	-	-	-
Total comprehensive (loss) for the period		-	-	(5,109)	(5,109)
<b>Transactions with owners, recorded directly in equity</b>					
<i>Contributions by and distributions to owners</i>					
Dividends to equity holders	7	-	-	(12,043)	(12,043)
Total contributions by and distributions to owners		-	-	(12,043)	(12,043)
Total transactions with owners		-	-	(12,043)	(12,043)
<b>Balance at 30 June 2017</b>		<b>138,325</b>	<b>228</b>	<b>25,449</b>	<b>164,002</b>
<b>Balance at 1 July 2016 (Re-stated)*</b>		<b>138,325</b>	<b>(4,885)</b>	<b>253,582</b>	<b>387,022</b>
<b>Total comprehensive income for the period</b>					
Loss for the period		-	-	(106,750)	(106,750)
<i>Other comprehensive income</i>					
Share of other comprehensive income of associates, net of tax		-	(240)	-	(240)
Effective portion of change in fair value of cash flow hedge, net of tax		-	927	-	927
Total other comprehensive income		-	687	-	687
Total comprehensive income for the period		-	687	(106,750)	(106,063)
<b>Transactions with owners, recorded directly in equity</b>					
<i>Contributions by and distributions to owners</i>					
Dividends to equity holders	7	-	-	(12,043)	(12,043)
Total contributions by and distributions to owners		-	-	(12,043)	(12,043)
Total transactions with owners		-	-	(12,043)	(12,043)
<b>Balance at 31 December 2016 (Re-stated)*</b>		<b>138,325</b>	<b>(4,198)</b>	<b>134,789</b>	<b>268,916</b>

\*Certain amounts have been re-stated to reflect adjustments relating to deferred tax assets

The accompanying notes form an integral part of these Consolidated Half Yearly Financial Statements

## **NOTES TO THE CONSOLIDATED HALF YEARLY FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2017**

### **1. Basis of preparation of the Consolidated Half Yearly Financial Statements**

#### **a) Reporting entity**

Cabcharge Australia Limited (the "Company") is a for-profit company domiciled in Australia. The Consolidated Half Yearly Financial Statements of the Company as at and for the six months ended 31 December 2017 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities.

#### **b) Statement of compliance**

The consolidated half yearly financial statements are general purpose financial statements which have been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The Consolidated Half Yearly Financial Statements do not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2017.

These Consolidated Half Yearly Financial Statements were authorised for issue by the Board of Directors on 27 February 2018.

The company is of a kind referred to in ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports) and in accordance with that Instrument, amounts in the consolidated interim financial statements and the directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

#### **c) Significant accounting policies**

The accounting policies applied by the Group in these consolidated half yearly financial statements are the same as those applied by the Group in its consolidated financial report as at and for year ended 30 June 2017.

#### **d) Estimates**

The preparation of Consolidated Half Yearly Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated half yearly financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated annual financial report as at and for the year ended 30 June 2017.

## 2. Revenue and income

	Dec 2017 \$'000	Dec 2016 \$'000
Taxi service fee income	24,340	28,812
Network subscription fee income	33,158	28,262
Brokered Taxi plate licence income	12,679	10,629
Owned Taxi plate licence income	1,756	2,705
Other Taxi related services income	4,200	2,021
Taxi operating income	3,312	-
Vehicle financing lease and insurance loan income	2,283	2,530
School bus route services income	1,076	1,102
Taxi Subsidy Scheme Revenue	1,006	924
Courier service income	1,866	-
Other revenue	4,324	2,072
<b>Total operating revenue</b>	<b>90,000</b>	<b>79,057</b>
<b>Non-operating activities</b>		
Taxi industry assistance from Government	2,210	-
Gain on disposal of property, plant and equipment	82	5
<b>Total other income</b>	<b>2,292</b>	<b>5</b>

### Total turnover

Total turnover does not represent revenue in accordance with Australian Accounting Standards. Total turnover represents the value of taxi hire charges (fares) paid through the Cabcharge Payment System plus Cabcharge's taxi service fee plus the Group's revenue from other sources. Cabcharge's credit risk is based on turnover rather than revenue.

	Dec 2017 \$'000	Dec 2016 \$'000
<b>Total turnover</b>	<b>605,326</b>	<b>591,448</b>

## 3. Tax expense

Tax expense is recognised based on Management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim reporting period.

	Dec 2017 \$'000	Dec 2016 \$'000
<b>Numerical reconciliation between tax expense and pre-tax profit</b>		
Profit before tax from continuing operations	(872)	8,675
Prima-facie income tax using the corporate tax rate of 30% (Dec 2016: 30%)	(262)	2,603
<i>Add tax effect of:</i>		
Non-deductible depreciation	135	62
Non-deductible impairment charges	3,689	2,483
Other non-deductible items	649	191
<i>Less tax effect of:</i>		
Tax exempt dividends	-	(73)
Capital (profit) not subject to income tax	(225)	-
Adjustment for prior years	(111)	683
<b>Income tax expense</b>	<b>3,875</b>	<b>5,949</b>

The Group's consolidated effective tax rate in respect of continuing operations for the six months ended 31 December 2017 presents as nil (for the six month ended 31 December 2016: 68.6%). The change in effective tax rate was caused mainly by impairment charge of \$12,297,000 in the current period (for the six month ended 31 December 2016: \$8,277,000).

#### 4. Business combination

On 31 July 2017 the Group acquired the business and assets of Yellow Cabs Queensland for cash consideration of \$19.5 million. Yellow Cabs Queensland operates a fleet of taxis and provides taxi network services to taxi operators and drivers.

The Group incurred acquisition-related cost of \$1.4 million primarily relating to external legal fees and stamp duty. These amounts have been included in general administrative expenses in the Consolidated Statement of Comprehensive Income.

The provisional fair value of the identifiable assets and liabilities acquired as at the date of acquisition were as follows:

	31-Jul-17 \$'000
Cash and cash equivalents	63
Trade and other receivables	3,436
Inventory	977
Other current assets	622
Shares in unlisted companies	1,058
Property, plant and equipment	3,029
Trade and other payables	(1,099)
Current tax liabilities	(128)
Employee entitlements	(1,108)
Fair value of identifiable net assets acquired	6,850
Consideration paid, satisfied in cash	(19,500)
Goodwill	(12,650)

Goodwill of \$12.7 million is attributable to the knowledge and expertise of the workforce and the location of the business acquired. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquisition accounting for business combinations carried out during the current period has been determined provisionally to allow the Group sufficient time to form a view as to the value of any separately identifiable net assets acquired.

#### Impact of acquisition on the results of the Group

The Consolidated Statement of Comprehensive Income includes revenue and profit for 5 months ended 31 December 2017 of \$15,515,000 and \$600,000 respectively, as a result of the acquisition of the business assets of Yellow Cabs Queensland on 31 July 2017.

The Group has determined it impractical to disclose the revenue and net profit / (loss) included in the Consolidated Statement of Comprehensive Income had the acquisition occurred at the beginning of the reporting period. The Group has assessed that an objective determination of the revenue and net profit since the beginning of the reporting period was not able to be made and as such disclosure has not been made.

## 5. Discontinued operation

On 21 December 2016 the Group entered into an agreement to sell its investment in Comfort DelGro Cabcharge Pty Ltd (CDC). The disposal of CDC was completed on 15 February 2017.

On 28 June 2017 the Group entered into an agreement to sell its investment in CityFleet Networks Ltd in the UK (CFN) for GBP7.9 million. The disposal of CFN was completed on 28 July 2017.

The equity accounting profit ceases from the date of the agreement to sell.

The investment in CFN was not previously classified as discontinued operations in the half yearly report ended 31 December 2016. The comparative consolidated statement of comprehensive income has been restated to show the discontinued operations separately from continuing operations.

### Results of discontinued operations

	Dec 2017 \$'000	Dec 2016 \$'000
Share of profit of discontinued operation		
- ComfortDelGro Cabcharge Pty Ltd	-	8,218
- CityFleet Networks Ltd	-	(719)
Impairment charge on CityFleet Networks Ltd	-	(20,200)
Foreign exchange loss on sale of CityFleet Networks Ltd	(362)	-
Recognition of deferred tax liability on ComfortDelGro Cabcharge Pty Ltd	-	(18,817)
Impairment loss on write-down to fair value less costs to sell		
- ComfortDelGro Cabcharge Pty Ltd	-	(77,958)
<b>(Loss) from discontinued operation, net of tax</b>	<b>(362)</b>	<b>(109,476)</b>

### Reconciliation of Impairment loss on write-down to fair value less costs to sell and loss on sale of associates

	Dec 2017 \$'000			Dec 2016 \$'000		
	CDC	CFN	Total	CDC	CFN	Total
Sale price	-	-	-	186,000	-	186,000
Less: costs to sell	-	-	-	(2,021)	-	(2,021)
Net consideration	-	-	-	183,979	-	183,979
Carrying amount of the investment, net of reserves	-	-	-	261,937	-	261,937
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(77,958)</b>	<b>-</b>	<b>(77,958)</b>

### Cash flows of discontinued operations

	Dec 2017 \$'000	Dec 2016 \$'000
Cash flows from operating activities	-	-
Cash flows from investing activities	12,906	-
Cash flows from financing activities	-	-
<b>Net increase in cash and cash equivalents</b>	<b>12,906</b>	<b>-</b>

## 6. Goodwill, taxi licence plates and Intellectual Property

### Composition

	Dec 2017 \$'000	Jun 2017 \$'000
Goodwill	27,899	15,249
Accumulated Impairment loss	-	-
	27,899	15,249
Taxi licence plates		
- Indefinite life		
- Taxi licence plates - perpetual	19,000	29,465
- Accumulated impairment loss		
- Finite life		
- Taxi licence plates - 50 year renewable	3,768	5,600
- Accumulated amortisation	(1,889)	(1,818)
- Accumulated impairment loss		
- Taxi licence plates - 10 year renewable	3,319	3,319
- Accumulated amortisation	(3,319)	(3,319)
	20,879	33,247
Intellectual Property		
- Indefinite life		
- Intellectual Property trademark	1,473	1,473
- Accumulated Impairment loss		
- Finite life		
- Customer contracts at cost	2,835	2,835
- Accumulated Amortisation	(1,426)	(1,230)
- Capitalised development costs at cost	29,779	28,440
- Accumulated Amortisation	(21,171)	(19,771)
- Accumulated Impairment loss		-
	11,490	11,747

### Impairment considerations

#### Taxi licence plates

After assessing the recoverable amount of taxi plate licences based on value-in-use, using a discounted projected cash flow model, the Group determined that an impairment charge of \$12,297,000 was required (FY17: \$7,900,000). In assessing the recoverable amount of such licences, the Group has applied average earnings growth forecasts of between -13% to 0% in year one (FY17: between 0% to 2%) and 0% in years two to five (FY17: between 0% to 2%), long term growth rates of 2% (FY17: 2%) into perpetuity and a pre-tax discount rate of 14.4% (FY17: 12.9%). This long term growth rate reflects the general estimated long term Australian economic growth and the discount rate is based on comparable industry market assumptions for the risk free rate, the market risk premium, the cost of debt, the beta and an additional risk weighting for these assets. An increase of 100 basis points in pre-tax discount rate would result in a further impairment of \$1,392,000 and a decrease of 100 basis points in the long term growth rate would result in a further impairment of \$1,549,000.

## 7. Dividends paid

The following fully franked dividends were paid, franked at the tax rate of 30%.

	Dec 2017 \$'000	Dec 2016 \$'000
2017 year final - 10.0 cents	12,043	-
2016 year final - 10.0 cents	-	12,043
	12,043	12,043



## 8. Events subsequent to balance date

### Dividend

The Directors have declared an interim dividend of 4 cents per share (fully franked) which is scheduled to be paid on 30 April 2018. The record date to determine entitlement to interim dividend is 29 March 2018.

Other than the matters above, no matters or circumstances have arisen since 31 December 2017 that has significantly affected or may significantly affect the Group's operations in future financial periods, or the results of those operations in future financial periods, or the Group's state of affairs in future financial periods.

## 9. Segment information

The Group operates in one business and geographic segment being the provision of taxi related services in Australia.

During financial year 2017 the Group sold the associates which were equity accounted by Cabcharge, refer to Note 5.

Primary Reporting - Business Segments	Taxi related services		Bus & coach services (discontinued)		Consolidated	
	Dec 2017	Dec 2016	Dec 2017	Dec 2016	Dec 2017	Dec 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>						
External revenue	90,000	79,057	-	-	90,000	79,057
<b>Result</b>						
Results from operating activities	(541)	10,528	-	-	(541)	10,528
(Loss) from discontinued operation, net of tax	(362)	(20,919)	-	(88,557)	(362)	(109,476)
Segment result	(903)	(10,391)	-	(88,557)	(903)	(98,948)
Net finance (costs) / income					(331)	(1,853)
Income tax expense					(3,875)	(5,949)
(Loss) / Profit for the period					(5,109)	(106,750)
<b>Other disclosures</b>						
Segment assets, excluding investments accounted for using the equity method and investment in associate - held-for-sale	199,392	217,618	-	-	199,392	217,618
Segment liabilities	35,390	152,506	-	-	35,390	152,506
Investment in associate - held-for- sale	-	-	-	183,980	-	183,980
Other-investments accounted for using the equity method	-	21,714	-	-	-	21,714
Depreciation and amortisation	7,078	7,481	-	-	7,078	7,481

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Cabcharge Australia Limited ("the Company"), we state that in the opinion of the directors:

- a. the Consolidated Half Yearly Financial Statements and notes set out on pages 4 to 13 are in accordance with the Corporation Act 2001, including:
  - i. giving a true and fair view of the financial position of the Group as at 31 December 2017 and of its performance for the half year ended on that date; and
  - ii. complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001.
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors



Paul Oneile  
**Chairman**

27 February 2018



Andrew Skelton  
**Managing Director**

27 February 2018



# Independent Auditor's Review Report

To the shareholders of Cabcharge Australia Limited

## Report on the Half-year Financial Report

### Conclusion

We have reviewed the accompanying Half-year Financial Report of Cabcharge Australia Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Cabcharge Australia Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The Half-year Financial Report comprises:

- Consolidated statement of financial position as at 31 December 2017
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The Group comprises of Cabcharge Australia Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

### Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year 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 Half-year Financial Report that is free from material misstatement, whether due to fraud or error.



## Auditor's responsibility for the review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Half-year Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2017 and its performance for the half-year period ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Cabcharge Australia Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KPMG

Julie Cleary  
Partner

Sydney  
27 February 2018