Axsesstoday LIMITED

Annual Report 2017

Year ending 30 June 2017

Contents

Update from the Chairman

Axsesstoday continues to build on its auspicious debut as a listed public company in December 2016.

The strong June 2017 result was underpinned by a deliberate focus on high growth SME segments, relying on advanced proprietary software technology with loans written within a sophisticated prudential risk framework, with most loans originated through trusted, accredited equipment retailers.

The company is currently enhancing its core system capability to manage rapid growth and to support continued product innovation as well as provide valuable real-time reporting and forecasting tools.

Axsesstoday enjoys funding support from both the banking sector, the bond market as well as the equity market. This diversity of funding enables the company to optimise the cost and structure of its funding needs to maintain loan portfolio growth targets.

The company has established a Dividend Re-investment Plan to augment funding needs and to enable shareholders to invest in the business without transaction costs.

We encourage our people to always act with an ownership mentality and this is why our newly developed equity participation plan will now cover all of our Key Management Personnel going forward.

On behalf of the board, I express my extreme gratitude and admiration for the strong work ethic and absolute commitment to the success of Axsesstoday by the Managing Director, Peter Ferizis and his closely knit team who have the business well placed to deliver sustained earnings and dividend growth to shareholders.

Kerry Daly

Chairman

FY17 Highlights

Highlights of the year

$167.5m

of Net Receivables, **increasing by 221%** over pcp (previous corresponding period)

$260.8m in Gross Receivable ($167.5m of Net Receivables)

Basic **EPS of 10.52** cents in FY17 compared to 6.03 cents pcp

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Over **$226m annualised new assets** funded in 4Q17

1.13% impairment provision to net receivables

FY17 Highlights

Highlights of the year

$3.6m

of NPAT (FY17), an increase of 155% over pcp, in line with revised guidance

Continued growth in all key operating metrics during the year ended 30 June 2017, exceeding prospectus forecasts

6,631 SME End customers

Rapid market share growth with lease and loan receivables **increasing by 221%** over previous corresponding period **to $167.5m**

2H17 dividend announced to be 2.2 cents per share fully franked

Testimonial - broker

“...Stratton looks forward to developing this relationship to our mutual benefit, well into the future.”

Founded nearly two decades ago, Stratton is today one of the nation’s leading finance brokers. Known originally for our expertise in the automotive sector, we now offer a complete range of finance solutions.

Our decision to become an accredited Axsesstoday lender in December 2016 has been rewarded with strong, consistent growth across some of our most important market segments, notably commercial transport assets finance, fitouts and business loans.

We measure the relationship not just in terms of transactional volume or value, however, in Axsesstoday we have found a business premised on common values, segment ambitions and a fundamental desire to disrupt through innovation.

Working closely with our commercial offices and executives across Australia, they quickly established themselves as a trusted business partner, and Stratton looks forward to developing this relationship to our mutual benefit, well into the future.

John Alvarez

Head of Commercial & Third Party,
Stratton Finance

August 2017

Testimonial - customer

"...Axsesstoday delivered in an incredibly tight timeframe. It's a company that absolutely lives up to its name."

When you work in hospitality for as long as I have, you learn to recognise and respect businesses that put engaging, empathetic people in customer-facing roles. It's something I noticed immediately with Axsesstoday.

Frustrated by protracted dealings with one of the big four banks, I came to Axsesstoday needing to arrange finance very quickly for the purchase and fit-out of my fourth and fifth Soul Origin franchises.

They didn't let me down. Their service was exceptional—every person I spoke with was friendly, knowledgeable and helpful—their rates were competitive and their terms were flexible.

Most importantly, Axsesstoday delivered in an incredibly tight timeframe. It's a company that absolutely lives up to its name.

Sherwin Djamil

Soul Origin Franchisee
August 2017

Directors' Report

Directors' report

The following persons were directors of Axsesstoday Limited during the year and up to the date of this report:

- **Kerry Daly** (Chairman) was appointed as director on 19 October 2016 and continues in office at the date of this report.
- **Peter Ferizis** (Managing Director and Chief Executive Officer)
- **Michael Sack**
- **Matthew Reynolds** was appointed as director on 21 December 2016 and continues in office at the date of this report.
- **Yaniv Meydan**
- **Ryan Raymond** was a director from the beginning of the financial period until his resignation on 19 October 2016.
- **Ashley Krongold** was appointed as director on 14 July 2016 and resigned on 19 October 2016.

Principal Activities

During the year the principal activities of the Group consisted of providing equipment finance primarily to small to medium enterprise customers in the hospitality and transport sectors.

Board of Directors

Kerry Daly

Non-Executive Director
and Chairman

A Certified Practicing Accountant and ASX Company Director since 1992. Kerry was MD of The Rock Building Society Limited where he was responsible for its ASX listing. He also served as Executive Director of Grange Securities Limited and is current Non-Executive Director of Collection House Limited, Trustees Australia Limited and former Chairman Tamawood Limited. Kerry brings a wealth of experinece in IPO and structured debt raisings, share-buy-backs, securitisation and subordinated debt financing.

Matthew Reynolds

Non-Executive
Director

Matthew Reynolds is a Partner of HWL Ebsworth Lawyers. He advises clients across all industries including in particular the energy and resources, technology, retail services, and the construction and infrastructure sectors. Matthew currently occupies several Board roles relevant to the sectors in which he provides legal services. He is a non-executive director of G8 Education Limited, Ignite Energy Resources Limited and the Operational and Financing subsidiaries of Minor International PLC.

Yaniv Meydan

Non-Executive
Director

Managing Director of the Meydan Group since 1997. He is responsible for managing the group's general business operations, in particular the group's financial interests. Yaniv is responsible for the delivery of a wide range of finance and accounting related functions. Beyond day-to-day finance, the role requires senior level strategic decisions and senior management of all project finance with major Australian and International banks.

Peter Ferizis

Executive
Chief Executive Officer

Over 14 years experience in institutional and investment banking roles with specific focus on commercial credit, lending and equity investments across a variety of sectors, including hospitality and transport segments. Previously at Westpac Institutional Bank followed by an Investment Bank and niche Investment firm. Also established a consumer finance business and strategically involved in numerous commercial finance businesses across a variety of sub asset classes.

Michael Sack

Non-Executive
Director

Over 25 years financial services experience having spent 10 years in an Investment Bank heading up the leverage finance unit focussed on providing structured debt solutions to businesses. Michael was previously the Senior Manager and Head of Pretoria for Mercantile Bank (South Africa) and later became the Managing Director of Mercantile Asset Management and Mercantile Trust Company (South Africa). Following this, Michael was the Head of ANZ Private Bank Victoria.

Review of Operations

Overview

Axsesstoday Limited is a specialist provider of equipment funding solutions for small to medium sized enterprises (SMEs) in the hospitality, transport and other sectors. The Group has experienced high growth since inception in response to a need for a differentiated and compelling value proposition for merchants to offer equipment finance to their end customers.

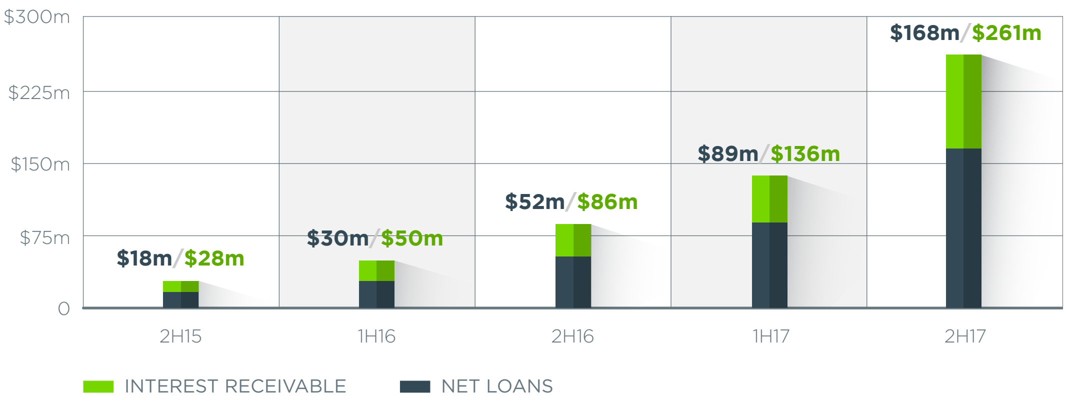
During the 12 month period to 30 June 2017, Axsesstoday Limited delivered continued strong organic business growth and consistent performance across all key operating metrics, and continues to be well positioned to maintain this trend into the next financial year. Growth in both core hospitality and transport segments has exceeded expectations with a high volume of retail merchants awaiting accreditation.

The Group's net profit after tax to 30 June 2017 was $3.6 million compared to the pcp of $1.4 million. The key drivers of profit growth over the period were:

- Net portfolio income increasing by 157% to $15.9 million, underpinned by 221% increase in net receivables since 30 June 2016
- Accredited retail merchants and introducers increasing from 77 as at 30 June 2016 to 249 as at 30 June 2017
- Credit losses for FY17 remained low and stable in line with Prospectus forecasts and the credit provision balance represented 1.1% of net receivables at period end.

Net receivables increased by 221% over previous corresponding period to $167.5 million (gross receivables of $260.7 million). The result was 65% higher than prospectus forecasts of $101.8 million due to strong growth in new retail merchants accreditations that are expected to continue to provide sustainable lease and loan receivable growth and earnings momentum into FY18 and beyond.

LOAN RECEIVABLE GROWTH



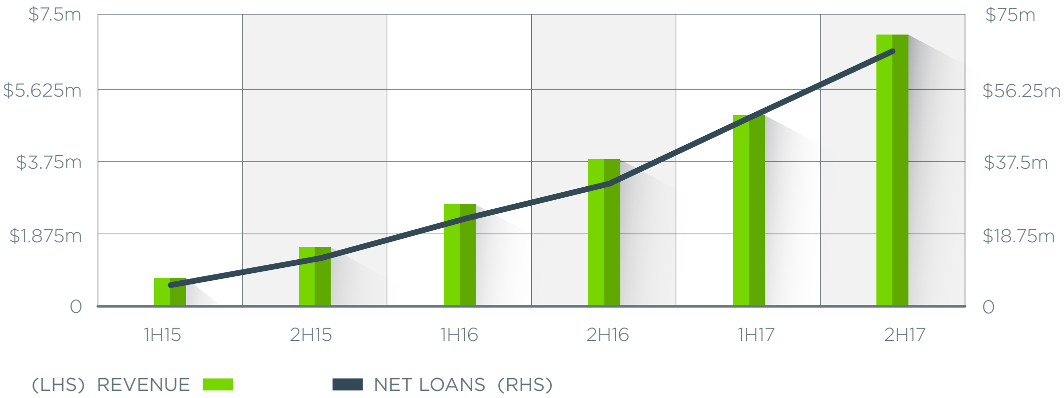
The full earnings impact from the growth in net receivables will not be realised until FY18.

During the year, the Company incurred increased operating costs associated with the relocation to larger premises and increased employees to support growth projections. These costs are expected to grow at a lower rate relative to interest income growth due to the upcoming implementation of the next generation IT system which will provide operational efficiencies.

Hospitality

The Hospitality business exceeded expectations for the year ended 30 June 2017, with growth in loan receivables of 109% over the previous corresponding period to $65.3 million. The Company has continued to deepen market penetration in its core channels of restaurants, cafes and franchises. The outlook for the Hospitality sector remains strong as a result of continuing favourable industry conditions in a reliable and sustainable market and the expansion of the Group's activity in new channels including franchise groups.

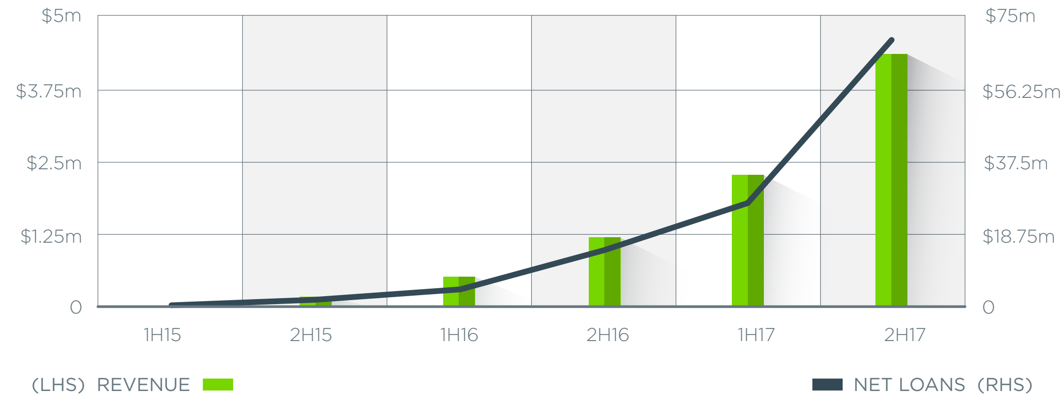
REVENUE TO NET LOANS COMPARISON - HOSPITALITY



Transport

The Transport business delivered rapid growth for the year ended 30 June 2017, with growth in loan receivables of 354% over the previous corresponding period to $68.7 million. The growth has been attributed to increased market awareness and new introducer accreditations. The Company expects strong performance to continue into the next year due to the current rate of finance volume growth and the strong finance origination pipeline.

REVENUE TO NET LOANS COMPARISON - TRANSPORT



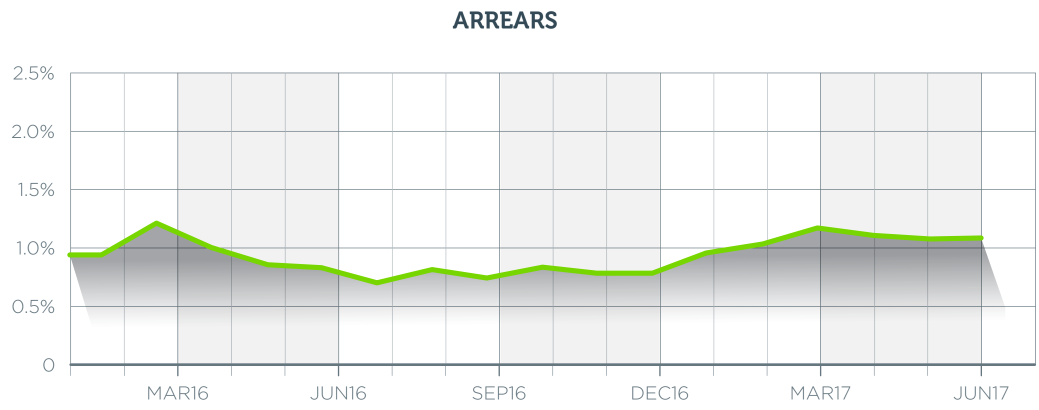
Business loans

The Company provides short term business loans to qualifying customers. The product was launched in January 2017 and is complimentary to its core product offering with risk adjusted returns in line with the Company's objective. As at 30 June 2017, the principal balance on the loan book was $6.2 million. Portfolio performance has remained sound, and the Company expects the growth to continue into next financial year.

Portfolio Performance

Actual credit losses incurred since inception were 1.1% of net receivables at the year ended 30 June 2017. The Company continues to take an active approach to maximising the recovery, refurbishment and redeployment of assets and currently has over $1.9 million of credit loss provisions.

Arrears (past due 30 day receivables) were 1.05% of net receivables at 30 June 2017, which is in line with historical trends. The result was underpinned by maintaining credit discipline and effective collection processes.



Financial Position

The Group had $167.5 million of net receivables as at 30 June 2017. Net debt increased to $135.2 million compared to $46.7 million at 30 June 2016 to support the growth in receivables. Total contractual cash receipts from customers was $260.7 million. The level of gearing has remained well within financial covenants and as at 30 June 2017 was 77%. The Company's strategy is to maintain gearing levels at approximately 80% to optimise the capital structure and maximise shareholder value.

The Company continues to focus on a long term sustainable and efficient capital structure to ensure that its sources of funding will support the ongoing growth in the business.

At period end the Company broadened its funding base and secured a new $112 million senior syndicated debt facility. The new facility provides an additional $50 million of funding available from the bilateral financing arrangement and will support the continued strong growth in receivables. The term of the facility was renewed and extended for 3 years, and provides flexibility for other new financiers to participate on the same terms in the future. The Company also secured an additional $10 million unsecured subordinated Corporate Note offering.

The Company successfully completed an equity capital raising across two tranches in March and May 2017, placing shares to existing and new shareholders and raising a total of $11.45 million of additional equity capital net of costs. The funds raised from this placement were used entirely to fund growth in receivables and implement next generation IT systems.

The Company is continuing to experience rapid balance sheet growth due to strong ongoing asset origination. As a result, the Company will review its capital requirements on an ongoing basis to ensure the Group maintains a strong balance sheet with prudent capital ratios and is positioned to capitalise on the current business momentum and strong earnings growth outlook.

Dividend

The Company will pay a dividend for the earnings attributed to the half year ending 30 June 2017 of 2.2 cents per share, which is consistent with the Company's target dividend payout ratio of 50% of distributable profits. The Company has also established a Dividend Reinvestment Plan for shareholders to reinvest their dividends to minimise the cash and capital impact of dividends on the Company. The Dividend Reinvestment Plan will be made available to shareholders for the 2H17 dividend.

Systems

The Company commenced upgrading its systems and platforms to maintain its market leading position. The development of the system is allocated over numerous stages, with the first upgrade expected to be completed in August. The first system upgrade will increase capacity to support growth, improve the customer service experience, broaden the Group's product base, enable flexibility for future international expansion and continue to improve operating leverage and cost management through increased levels of process automation.

Strategy and Outlook

The Company continues to focus on an organic growth strategy that is aimed at creating and maximising shareholders' returns and value. The Group continues to experience favourable trading conditions, with ongoing market penetration and growth in retail merchant and introducer relationships underpinning the Groups growth objectives.

The Company is continuing to focus on its core competencies to drive future growth, which include:

- Strong distribution channel relationships
- Continued investment in innovative systems to increase operational efficiencies and improve end to end processes
- Established credit algorithms
- New product offerings
- Multiple committed funding facilities

The Company is continuing to undertake due diligence and evaluate opportunities in Canada. Discussions are in place with numerous retail merchants and advisors. It is expected this expansion will have low operating costs by leveraging on the upgraded IT system to process applications.


HOT
Americano 2.50/3.25
Cafe Latte 3.25/3.75
Cafe Mocha 3.75/4.25
Espresso 2.50/3.25
Macchiato 2.75
Con Panna 2.75
Cappuccino 3.25
Press Coffee 4.00
Hot Chocolate 3.50/4.00
Chai Latte 3.75/4.25
Tea Latte 3.75
Loose Leaf Tea 2.75
COLD
Iced Americano
Iced Latte
Iced Chai Latte
Iced Tea
Juice
Mineral Water
Raspberry Rose Lemonade
Extra Shot .75
Breve .50
Misto .50
Vanilla .50
Soy .50

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 28.

Director's Meetings

The number of Directors' meetings (including meetings of Committees) and number of meetings attended during the financial year are:

Director	Board meetings		Audit and risk management committee meetings	
	A	B	A	B
Kerry Daly	5	5	1	1
Peter Ferizis	5	5		
Yaniv Meydan	4	5		
Matthew Reynolds	5	5	1	1
Michael Sack	5	5	1	1

A – number of meetings attended
B – number of meetings held during the time the director held office throughout the year

Corporate Governance Statement

This statement outlines the main corporate governance practices in place throughout the financial year. The Company's Corporate Governance Charter which provides detailed information about governance is available on the Company's website at:

www.axsesstodaylimited.com.au.

Role and Responsibilities of the Board

The Board is accountable to shareholders for the performance of the Company. It oversees the activities and performance of management and provides an independent and objective view to the Company's decisions.

The general responsibilities of the Board are:

- Protection and enhancement of shareholder value;
- Formulation, review and approval of the objectives and strategic direction of the Company;
- Monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results;
- Approving all significant business transactions including material acquisitions, divestments and capital expenditure;
- Ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- The identification of significant business risks and ensuring that such risks are adequately managed;

- Evaluation of significant potential business development opportunities;
- The review of performance and remuneration of the MD, CFO and Officers of the Company;
- Ensuring there is an effective corporate governance structure and practice in place;
- Ensuring the integrity in financial reporting;
- Ensuring the Company's Code of Conduct and other policies are followed, to promote ethical and responsible decision making;
- Ensuring that an appropriate Securities Trading Policy is in place regarding trading of the Company's shares by employees and Directors of the Company;
- Ensuring that an appropriate policy is in place regarding the recognition and management of the Risks facing the Company;
- Ensuring that appropriate policies and procedures are in place to ensure compliance with applicable laws.

Remuneration report – audited

This Remuneration Report sets out the remuneration information relating to the Company's Directors and Senior Executives who comprise the key management personnel of the Group for the year ended 30 June 2017.

Directors	
Kerry Daly	Non-executive Chairman
Peter Ferizis	Managing Director & CEO
Yaniv Meydan	Non-executive Director
Matthew Reynolds	Non-executive Director
Michael Sack	Non-executive Director

Senior Executives	
Olga Colyvas	Chief Financial Officer
Julie Truong	Chief Operating Officer

Properties of Compensation

Key management personnel (who comprise the Directors and Senior Executives for the Group) have the authority and responsibility for planning, directing and controlling the activities of the Group.

Remuneration levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and Senior Executives. The remuneration structures outlined below are designed to attract talented candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capabilities of the key management personnel;
- the key management personnel's ability to achieve the Group's financial and non-financial performance hurdles, such as:
    a. the Group's profit after tax;
    b. the Group's earnings per share;
    c. portfolio performance; and
    d. other qualitative measures

Fixed Remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes employer contributions to superannuation funds).

Remuneration levels are reviewed annually through a process that considers individual, segment and overall performance of the Group. In addition, external consultants (where appropriate) provide analysis and advice to ensure the Directors' and Senior Executives' remuneration is competitive in the market place.

Performance Linked Remuneration

Performance linked remuneration includes both short-term and long-term incentives, and is designed to reward executives for meeting or exceeding corporate, financial and personal performance objectives and to create alignment with the creation of shareholder value. Each executive has an individualised KPI structure with specific hurdles and specific weightings based on the function of their role that include but are not limited to:

- Net profit after tax meeting market announcements and budget expectations
- Earnings per share meeting budget expectations
- Compliance with debt covenants at all times
- Employee satisfaction survey responses
- Compliance with controls testing performed each quarter

The short-term incentive (STI) is an 'at risk' bonus provided in the form of cash and the long-term incentive (LTI) is provided in rights to shares in the Group.

The Group's performance in 2017 outperformed budgets and prospectus forecasts. The growth in the receivables book was 221% and NPAT increased from $1.4m in 2016 to $3.6m in 2017. This high growth and continued increase in financial performance to provide strong shareholder returns can be linked to the leadership and strategic vision of the executive team. The bonuses paid in 2017 as well as the KPIs and performance hurdles outlined for 2018 will continue to incentivise the executive team to continue achieving high growth levels and focusing on shareholder value.

Performance Rights Plan

A long-term incentive plan is in place in the form of Performance Rights which are subject to performance conditions. At the Board's discretion, grants of Performance Rights may be made to eligible employees on an annual basis. Provided all performance and vesting conditions are satisfied, each Performance Right represents a right to an ordinary share in Axsesstoday for no consideration. In FY17, there were no performance rights granted to employees. In the FY17 year, the value of the shares gifted was nil.

Shares issued under the incentive scheme are allotted for a price equal to the volume weighted average price of shares on the ASX on the five trading days up to and including the day of issue. The number of shares issued is rounded down to the nearest whole number.

Performance Shares

As at the date of this report there were 13,000,000 unissued ordinary shares of Axsesstoday Limited subject to performance. These unissued ordinary shares are the subject of performance hurdles with vesting dates of 30 June 2018 and 30 June 2019. See Note 20 (d) of the financial statements for further details.

Statutory Performance Indicators

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the group's financial performance over the last two years as required by the Corporations Act 2001. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to key management personnel. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2017	**2016**
Profit for the year attributable to owners of Axsesstoday Limited	3,648,931	1,430,277
Basic earnings per share (cents)	10.52	6.03
Increase in share price (%)	+42	N/A
Total KMP incentives as percentage of profit for the year (%)	4%	3.5%

Axsesstoday Limited
Remuneration of key management personnel

		Fixed Remuneration		
	Year	Salary/Fees	Employee Entitlements	Superannuation
Managing director				
Peter Ferizis	2017	285,003	14,391	31,825
	2016	210,024	34,859	19,954
Non-Executive directors				
Kerry Daly	2017	18,472	-	1,755
	2016	-	-	-
Matthew Reynolds	2017	13,194	-	1,253
	2016	-	-	-
Michael Sack	2017	-	-	-
	2016	-	-	-
Yaniv Meydan	2017	-	-	-
	2016	-	-	-
Senior Executives				
Olga Colyvas (CFO)	2017	149,296	4,327	16,463
	2016	50,817	5,769	4,828
Julie Truong (COO)	2017	157,806	1,149	17,527
	2016	19,516	5,411	1,854
Total	**2017**	**623,771**	**19,867**	**68,823**
Total	**2016**	**280,357**	**46,039**	**26,636**

Axsesstoday Limited
Remuneration of key management personnel

		Variable Remuneration			
	Year	STI Cash Bonus	Options and Rights	Shares and Units	% of remuneration performance related
Managing director					
Peter Ferizis	2017	90,000	-	-	22%
	2016	50,000	-	-	18%
Non-Executive directors					
Kerry Daly	2017	-	-	-	0%
	2016	-	-	-	0%
Matthew Reynolds	2017	-	-	-	0%
	2016	-	-	-	0%
Michael Sack	2017	-	-	-	0%
	2016	-	-	-	0%
Yaniv Meydan	2017	-	-	-	0%
	2016	-	-	-	0%
Senior Executives					
Olga Colyvas (CFO)	2017	24,000	-	-	13%
	2016	-	-	-	0%
Julie Truong (COO)	2017	17,000	-	-	8%
	2016	-	-	-	0%
Total	**2017**	**131,000**	**-**	**-**	**18%**
Total	**2016**	**50,000**	**-**	**-**	**12%**

Axsesstoday Limited
Analysis of bonuses included in remuneration - audited

	STI Bonus 2017	LTI Bonus	Total
Peter Ferizis	90,000	-	90,000
Olga Colyvas	24,000	-	24,000
Julie Truong	17,000	-	17,000

Mr Ferizis was entitled to a one-time $90,000 cash bonus if the profit before tax of the Group was above prospectus forecasts. The Group achieved this result and Mr Ferizis will be paid the bonus upon the release of the FY17 Annual Report. The bonus has been accrued for fully by the Group in FY17. The bonuses for Ms Truong and Ms Colyvas were made at the complete discretion of the board based on their contributions to the performance of the business.

Axsesstoday Limited
Contractual arrangements with executive KMPs

Component	CEO description	Senior executive description
Fixed remuneration	$285,000	$140,000 to $235,000
Contract duration	Ongoing contract	Ongoing contract
Notice by the individual/company	3 months	1 month
Termination of employment	• Entitlement to pro-rata STI for the year • Unvested LTI will remain on foot subject to achievement of the performance hurdles at the original date of testing • The Board has discretion to award a greater or lower amount s	• Entitlement to pro-rata STI for the year • Unvested LTI will remain on foot subject to achievement of the performance hurdles at the original date of testing • The Board has discretion to award a greater or lower amount

- In the event of termination of employment with or without cause of the CFO or COO they will not be entitled to any of their unpaid or unvested STI or LTI
- In the event of termination of the CEO the Group may elect to either continue to pay the Executive for the period of notice or to make a payment to the Executive in lieu of notice. An amount representing any STI, if any, for any completed fiscal year prior to the last day of the Employment will be calculated on a pro-rata basis.

Non-executive director arrangements

Non-executive directors receive a board fee, see table below. They do not receive performance-based pay or retirement allowances. The fees are exclusive of superannuation. The chairman does not receive additional fees for participating in or chairing committees.

Fees are reviewed annually by the board taking into account comparable roles and market data provided by the board's independent remuneration adviser. The current base fees were reviewed with effect from 1 January 2017.

Axsesstoday Limited
Remuneration of non-executive directors

Name	Year	Base Fee	Audit Committee	Superannuation	Total
Kerry Daly	2017	35,000	-	3,325	38,325
	2016	-	-	-	-
Matthew Reynolds	2017	25,000	-	2,375	27,375
	2016	-	-	-	-
Michael Sack	2017	-	-	-	-
	2016	-	-	-	-
Yaniv Meydan	2017	-	-	-	-
	2016	-	-	-	-

Axsesstoday Limited
Movements in Shares

Name	Balance at the start of the year	Received during the year	Acquired during the year	Total
Kerry Daly	-	-	100,000	100,000
Matthew Reynolds	-	-	-	-
Yaniv Meydan	10,884,000	41,246	900,000	11,825,246
Michael Sack	4,012,000	14,536	-	4,026,536
Peter Ferizis	4,012,000	14,536	-	4,026,536

Individual Directors and executives compensation disclosures

Apart from the details disclosed in this report, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

Key management personnel and Director transactions

Directors, or their related entities, hold or held positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. These entities transacted with the Group in the reporting period in relation to legal advice in the normal course of business and reflect long standing relationships between the Group and those entities. The terms and conditions of those transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

In the view of the Company, these transactions do not compromise the independence of the associated Directors.

Axsesstoday Limited
Key management personnel and Directors transactions

Name	Transaction	Note	2017	2016
Matthew Reynolds	Legal advice	i	306,401	77,026

i. the legal fees paid to HWL Ebsworth, a law firm in which Matthew Reynolds is a partner. The services provided were on commercial terms as one of the Company's selection of law firms.

Auditor

PwC Australia continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors.

Peter Ferizis
Managing Director and Chief Executive Officer

Auditor's Independence Declaration

As lead auditor for the audit of Axsesstoday Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

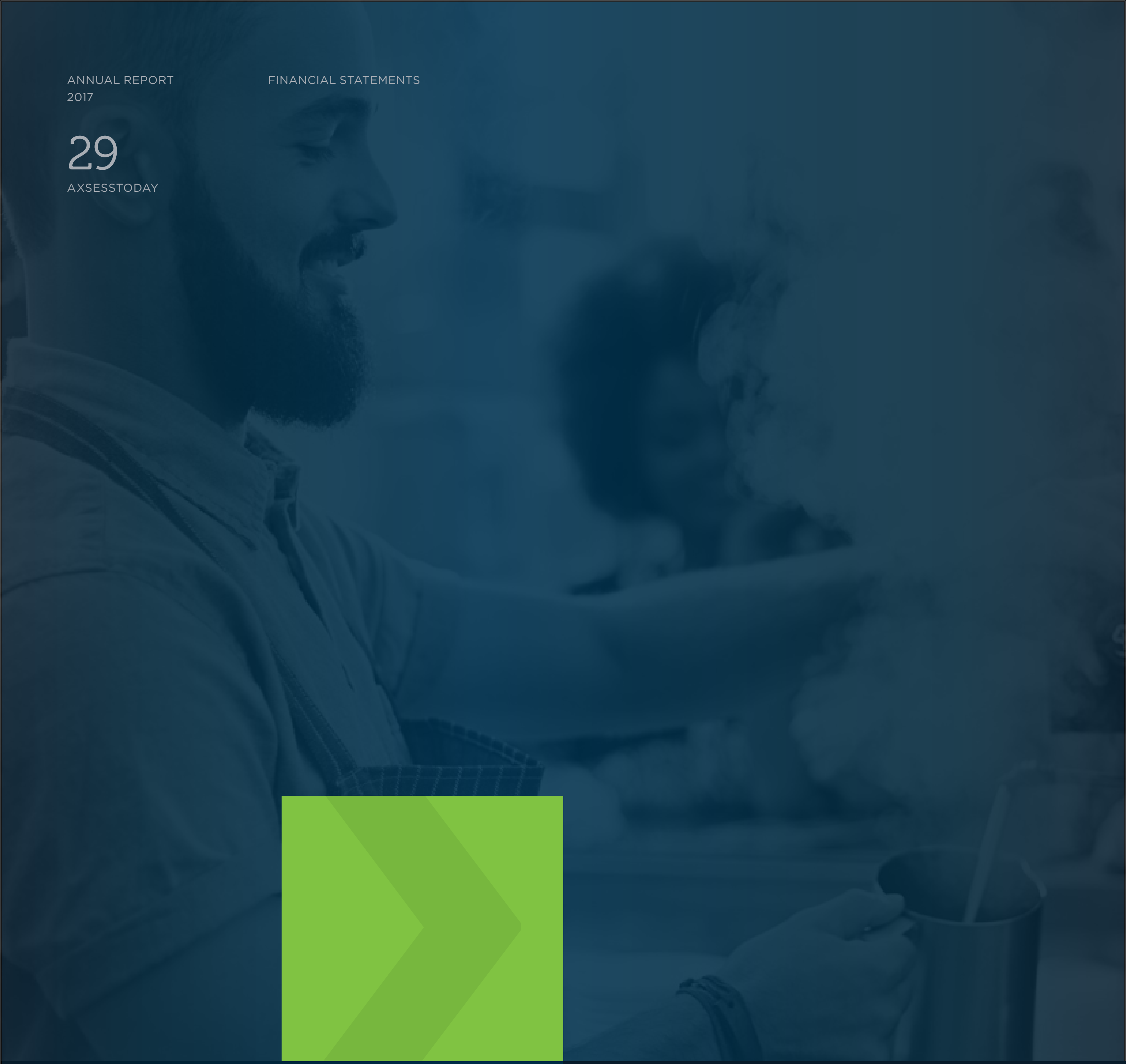
(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Axsesstoday Limited and the entities it controlled during the period.

Daniel Rosenberg
Partner
PricewaterhouseCoopers

Melbourne
16 August 2017

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au



Financial Statements

Contents

These financial statements are the consolidated financial statements of the consolidated entity consisting of Axsesstoday Limited and its subsidiaries. A list of subsidiaries is included in Note 29. The financial statements are presented in Australian currency.

Axsesstoday Limited is a company limited by shares, incorporated and domiciled in Australia.

Its registered office is:

Axsesstoday Limited
35 Market Street
South Melbourne VIC 3205

Its principal place of business is:

Axsesstoday Limited
Level 9
360 Collins Street
Melbourne VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities is included in the directors' report on page 8, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 16 August 2017. The directors have the power to amend and reissue the financial statements.

Axsesstoday Limited
Consolidated statement of comprehensive income

For the year ended 30 June 2017

	Notes	2017	2016
Revenue from continuing operations	9	**21,305,054**	8,450,610
Other income	9	**893,734**	241,825
Employee benefits expense		**(4,814,423)**	(2,032,619)
Depreciation and amortisation expense		**(99,918)**	(13,918)
Lease impairment expense		**(2,522,935)**	(833,049)
Registration costs		**(782,261)**	(270,643)
General Administration and Marketing Expenses		**(1,575,675)**	(305,420)
Other expenses		**(901,068)**	(708,696)
Finance costs		**(6,332,667)**	(2,513,348)
Profit before income tax		**5,169,841**	2,014,742
Income tax expense	10	**(1,520,910)**	(584,465)
Profit for the year		**3,648,931**	1,430,277
Profit is attributable to:			
Owners of Axsesstoday Limited		**3,648,931**	1,430,277
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share (cents)		**10.52**	6.03
Diluted earnings per share (cents)		**8.34**	6.03

Axsesstoday Limited
Consolidated statement of comprehensive income

For the year ended 30 June 2017

	2017	2016
Other comprehensive income		
Profit for the year	**3,648,931**	1,430,277
Item that may be reclassified to profit or loss		
Changes in the fair value of cash flow hedges	**(38,997)**	(346,400)
Other comprehensive income for the year, net of tax	**(38,997)**	(346,400)
Total comprehensive income for the year	**3,609,934**	1,083,877
Total comprehensive income for the year is attributable to:		
Owners of Axsesstoday Limited	**3,609,934**	1,083,877

Axsesstoday Limited
Consolidated statement of financial position

As at 30 June 2017

ASSETS	Notes	2017	2016
Current assets			
Cash and cash equivalents	11	**2,404,228**	599,778
Receivables	12	**46,216,494**	18,184,172
Other receivables		**5,953,429**	1,610,604
Total current assets		**54,574,151**	20,394,554
Non-current assets			
Receivables	12	**121,234,139**	34,329,382
Property, plant and equipment	13	**666,677**	113,595
Intangible assets	15	**819,497**	453,166
Total non-current assets		**122,720,313**	34,896,143
Total assets		**177,294,464**	55,290,697
LIABILITIES			
Current liabilities			
Trade and other payables	16	**3,327,759**	939,803
Borrowings	19	**-**	26,050,000
Derivative financial instruments	6	**550,567**	494,857
Current tax liabilities		**290,332**	178,205
Provisions	17	**283,040**	73,682
Total current liabilities		**4,451,698**	27,736,547
Non-current liabilities			
Borrowings	19	**137,640,142**	21,239,193
Deferred tax liabilities	14	**1,582,406**	512,456
Provisions	18	**337,615**	-
Total non-current liabilities		**139,560,163**	21,751,649
Total liabilities		**144,011,861**	49,488,196
Net assets		**33,282,603**	5,802,501
EQUITY			
Contributed equity	20	**28,371,168**	4,501,000
Other reserves	22	**(385,397)**	(346,400)
Retained earnings	21	**5,296,832**	1,647,901
Total equity		**33,282,603**	5,802,501

Axsesstoday Limited
Consolidated statement of changes in equity

For the year ended 30 June 2017

		Attributable to owners of Axsesstoday Limited			
	Notes	**Contributed equity**	**Other reserves**	**Retained earnings**	**Total equity**
Consolidated entity					
Balance at 1 July 2015		4,001,000	-	217,624	4,218,624
Profit for the year		-	-	1,430,277	1,430,277
Other comprehensive income		-	(346,400)	-	(346,400)
Total comprehensive income for the year		-	**(346,400)**	**1,430,277**	**1,083,877**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs and tax	20	500,000	-	-	500,000
		500,000	-	-	500,000
Balance at 30 June 2016		**4,501,000**	**(346,400)**	**1,647,901**	**5,802,501**
Balance at 1 July 2016		4,501,000	(346,400)	1,647,901	5,802,501
Profit for the year		-	-	3,648,931	3,648,931
Other comprehensive income		-	(38,997)	-	(38,997)
Total comprehensive income for the year		-	**(38,997)**	**3,648,931**	**3,609,934**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs and tax	20	23,870,168	-	-	23,870,168
		23,870,168	-	-	23,870,168
Balance at 30 June 2017		**28,371,168**	**(385,397)**	**5,296,832**	**33,282,603**

Axsesstoday Limited
Consolidated statement of cash flows

For the year ended 30 June 2017

	Notes	2017	2016
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**48,005,421**	22,122,400
Equipment purchases, loan advances, payments to suppliers and employees (inclusive of goods and services tax)		**(153,849,501)**	(53,632,735)
		(105,844,080)	(31,510,335)
Interest paid		**(4,539,965)**	(3,030,856)
Income taxes paid		**(173,650)**	-
Net cash (outflow) from operating activities	31	**(110,557,695)**	(34,541,191)
Cash flows from investing activities			
Payments for property, plant and equipment		**(616,575)**	(54,467)
Payments for intangibles		**(428,088)**	(202,525)
Net cash (outflow) from investing activities		**(1,044,663)**	(256,992)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities (net of costs)	20	**23,870,168**	500,000
Proceeds from subordinated notes (net of costs)		**57,724,859**	19,239,193
Proceeds from bank borrowings (net of costs)		**123,811,781**	14,300,000
Repayment of bank borrowings		**(89,250,000)**	-
Proceeds from related party borrowings		**400,000**	750,000
Repayments of related party borrowings		**(3,150,000)**	
Net cash inflow from financing activities		**113,406,808**	34,789,193
Net (decrease) increase in cash and cash equivalents		**1,804,450**	(8,990)
Cash and cash equivalents at the beginning of the financial year		**599,778**	608,768
Cash and cash equivalents at the end of the financial year	11	**2,404,228**	599,778

Contents

1. Reporting Entity

Axsesstoday Limited (the "Company") is a company domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2017 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is a for profit entity and is a provider of finance to small to medium sized enterprises for equipment, including hospitality, transport, and other business critical equipment.

2. Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Axsesstoday Limited is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The consolidated financial statements were authorised for issue by the Board of Directors on 16 August 2017. Comparative information is reclassified were appropriate to enhance comparability.

(i) Historical cost convention

These financial statements have been prepared under the historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments)

(ii) New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2016 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) New accounting standards to be applied in future reporting periods

The accounting standards that have not been early adopted for the year ended 30 June 2017 but will be applicable to the group in future reporting periods are detailed below:

(a) Financial instruments - impairment of financial assets

In December 2014, AASB issued the final version of AASB 9:'Financial Instruments' (AASB 9(2014)), AASB 2014-7: 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)' and AASB 2014-8: 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010)'.

AASB 9 (2014) is the final version of a new principal standard that consolidates requirements for the classification and measurement of financial assets and liabilities, hedge accounting and impairment of financial assets. AASB 9 (2014) supersedes all previously issued and amended versions of AASB 9 and applies to the group from the year ended 30 June 2019, with early adoption permitted.

Accordingly, the group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets.

The new hedge accounting rules will align the accounting for hedging instruments more closely with the group's risk management practices. As a general rule, more hedge relationships might be eligible for hedge accounting, as the standard introduces a more principles-based approach. While the group is yet to undertake a detailed assessment, it would appear that the group's current hedge relationships would qualify as continuing hedges upon the adoption of AASB 9. Accordingly, the group does not expect a significant impact on the accounting for its hedging relationships.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under AASB 139. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under AASB 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. While the group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

(b) Revenue from Contracts with Customers

The AASB has issued a new standard for the recognition of revenue. AASB 15 will replace AASB 118 which covers revenue arising from the sale of goods and the rendering of services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

This standard is mandatory for adoption by the Group for the year ending 30 June 2018; however early application is permitted.

(c) Leases

AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the group's operating leases. As at the reporting date, the group has non-cancellable operating lease commitments of $1,586,133, see Note 27(b). However, the group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16.

This standard is mandatory for adoption by the Group for the year ending 30 June 2020; however early application is permitted in certain circumstances.

(d) Other

We do not expect any other recently issued accounting standards to have material impact on our financial results upon adoption.

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer and Board of Directors. Refer to Note 8.

(d) Functional currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollar ($), which is Axsesstoday's functional and presentation currency.

(e) Foreign currency translation

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(f) Revenue recognition

Revenue is recognised for the major business activities using the methods outlined below.

Interest income

Finance income relating to finance lease receivables is recognised using the interest rate implicit in the lease at inception. Interest income on loans and receivables is calculated using the effective interest method.

(g) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(i) Impairment of assets

Tangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(k) Lease receivables

The group has classified its long term contracts as finance leases for accounting purposes. Under a finance lease, substantially all the risks and benefits incidental to the ownership of the leased asset are transferred by the group to the lessees. The group recognises at the beginning of the lease term an asset at an amount equal to the aggregate of the present value (discounted at the interest rate implicit in the lease) of the minimum lease payments and an estimate of any unguaranteed residual value expected to accrue to the group at the end of the lease term.

(l) Impairment of non-derivative financial assets

Financial assets not carried at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence that they are impaired. The main non-derivative financial assets held by the Group are loan and lease receivables.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- indications that a debtor will enter bankruptcy; or
- adverse changes in the payment status of contract holders.

The Group considers evidence of impairment for their rental contract debtors at a collective level. Contracts in arrears are assessed and grouped together depending on their risk characteristics. In assessing collective impairment, the Group uses historical information on the likelihood of recoveries, the total amount of security bonds held against the delinquent contracts and impairs the debtor ledger accordingly. Losses are recognised in profit or loss and reflected in an allowance account. When the Group has exhausted all reasonable efforts of recovery, the net book debt of the contract is written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(m) Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables,
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

(ii) Reclassification

The group may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

(iv) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at fair value through profit or loss' – in profit or loss within other income or other expenses

- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income

- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

Dividends on financial assets at fair value through profit or loss and available-for-sale equity instruments are recognised in profit or loss as part of revenue from continuing operations when the group's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on available-for-sale securities, held-to-maturity investments and loans and receivables calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations.

Details on how the fair value of financial instruments is determined are disclosed in note 7.

(v) Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(vi) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed.

Impairment testing of receivables is described in note 2(i).

(vii) Assets classified as available-for-sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(n) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in note 6. Movements in the hedging reserve in shareholder's equity are shown in note 22. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income or other expenses.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance costs'. The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within 'sales'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously deferred in equity are reclassified from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation or impairment in the case of fixed assets.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

(ii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

(o) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

- Furniture, fittings and equipment   3 - 8 years
- Leasehold improvement   5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

(p) Intangible assets

IT development and software

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use over a 7 year period.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, canceled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(s) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(t) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iv) Profit-sharing and bonus plans

The group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's shareholders and employees after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(u) Contributed equity

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.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares

- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii)Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and

- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(x) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of 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 taxation authority is included with other receivables or payables in the consolidated 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 taxation authority, are presented as operating cash flows.

(y) Parent entity financial information

The financial information for the parent entity, Axsesstoday Limited, disclosed in note 32 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Axsesstoday Limited. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

(z) Performance Shares

The performance shares are granted to all existing shareholders and vest on the basis of conditions set out in Note 20 (d). If these vesting conditions are met, the performance shares will convert one for one into ordinary shares of the Company. The performance shares are issued to all existing shareholders in their capacity as holders of equity instruments of the Company and do not have service conditions; as such they have been accounted for as equity instruments.

3 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Axsesstoday Limited
Exposure to financial risks

Risk	Exposure arising from	Measurement	Management
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Credit risk	Non-receipt of receivables	Aging analysis; Credit ratings	Design of products, security positions held, recoveries action
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Risk Management Committee ("ARM Committee"), which is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Responsibility for control and risk management is delegated to the appropriate level of management within the Group with the Chief Executive Officer having ultimate responsibility to the Board for the Group's risk management and internal control activities. Arrangements put in place by the Board to monitor risk management include:

- Regular monthly reporting to the Board in respect of operations and the financial position of the Group;
- Presentations made to the Board throughout the year by appropriate members of the Group's leadership team (and/or independent advisers, where necessary) on the nature of particular risks and details of the measures which are either in place or can be adopted to manage or mitigate the risk; and
- Any Director may request that operational and project audits be undertaken by management.

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group'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 Group. The Group uses derivative financial instruments such as interest rate swaps to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group 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 risks and aging analysis for credit risk.

The Group holds the following financial instruments:

Axsesstoday Limited
Financial Instruments

For the year ended 30 June 2017

	2017	2016
Financial Assets		
Cash and cash equivalents	**2,404,228**	599,778
Receivables	**167,450,633**	52,513,554
Financial Liabilities		
Trade and Other Payables	**3,327,759**	939,803
Borrowings	**137,640,142**	47,289,193

(a) Market risk

(i) Cash flow and fair value interest rate risk

The group's main interest rate risk arises from borrowings with variable rates, which expose the group to cash flow interest rate risk. Per contractual agreements with senior debt providers the Group must maintain at least 50% of its variable borrowings at fixed rates using interest rate swaps to achieve this when necessary. During 2017 and 2016, the group's borrowings at variable rate were denominated in Australian Dollars.

The group's fixed rate borrowings and receivables are carried at amortised cost.

The group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the group agrees with other parties to exchange, at specified intervals (mainly monthly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Generally, the group raises borrowings at floating rates and swaps them into fixed rates that are lower than those available if the group borrowed at fixed rates directly.

The exposure of the group's borrowing to interest rate changes and the contractual re-pricing dates of the fixed interest rate borrowings at the end of the reporting period are as follows:

Axsesstoday Limited Borrowings

For the year ended 30 June 2017

	2017	2016
Financial Assets		
Fixed rate senior subordinated notes	**30,000,000**	-
Variable rate subordinated notes	**50,000,000**	20,000,000
Variable rate bank borrowings	**62,000,000**	25,300,000
	142,000,000	45,300,000

Swaps and fixed interest rate borrowings currently in place cover approximately 46% (2016 -40%) of the total loan principal outstanding. The Company notes that the hedging policy is to maintain compliance with debt agreements to have a certain percentage of borrowings at fixed rates. On 30 June 2017, the Company establishment a syndicated senior debt facility. As per the syndicated facility agreement, the Company has 45 days from 30 June 2017 to purchase the necessary hedging instruments to comply with the fixed rate requirements.

The contracts require settlement of net interest receivable or payable every month or quarter. The settlement dates coincide with the dates on which interest is payable on the underlying debt and settlement occurs on a net basis. As at the end of the reporting period, the group had the following variable rate borrowings, fixed rate borrowings and interest rate swap contracts outstanding:

Axsesstoday Limited
Interest rates on borrowings

For the year ended 30 June 2017

	30-Jun-17 Weighted average interest rate	Balance	30-Jun-16 Weighted average interest rate	Balance
Consolidated entity				
Subordinated notes	8.27%	**50,000,000**	8.40%	20,000,000
Senior subordinated notes	7.50%	**30,000,000**		-
Bank loans	3.75%	**62,000,000**	3.40%	25,300,000
Fixed rate senior subordinated notes	7.50%	**(30,000,000)**		-
Interest rate swaps (notional principal amount)	2.55%	**(35,000,000)**	2.50%	(18,000,000)
Net exposure to cash flow interest rate risk		**77,000,000**		27,300,000

Amounts recognised in profit or loss and other comprehensive income

During the year, the following gains/(losses) were recognised in profit or loss and other comprehensive income in relation to interest rate swaps.

Axsesstoday Limited
Amounts recognised in other comprehensive income

For the year ended 30 June 2017

	2017	2016
(Loss)/gain recognised in other comprehensive income (see note 22)	**(38,997)**	(346,400)

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges of borrowings.

Axsesstoday Limited
Sensitivity analysis - impact on post-tax profit

For the year ended 30 June 2017

	2017	2016
Financial Assets		
Interest rates - increase by 50 basis points (50 bps)	**(162,954)**	(136,500)
Interest rates - decrease by 50 basis points (50 bps)	**162,954**	136,500
*holding all other variables constant		

(b) Credit risk

Credit risk arises from cash and cash equivalents, favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

The Group's exposure to credit risk is minimised through the procedures followed in the assessment of each application and the overall business model. Each application is assessed individually by gathering credit bureau data on the entity applying and the individual applicants associated with that entity. Recent personal and business bank statements are also collected and used to assist with calculating the applicant's ability to service the weekly repayments. Futhermore, two forms of government issued identification documents are required for each individual applicant to minimise the risk of fraudulent applications being approved. The Group remains vigilant about the potential for fraudulent applications and continually focuses on updating processes and procedures and implementing the latest IT solutions to ensure all risk factors are mitigated as much as possible.

The weekly repayments that are received by direct debit provide the opportunity to identify delinquent customers early. Security is held against all contracts by a personal guarantee from the individual(s), title over the assets and in some cases, where a heightened risk exposure is identified, floating security charges over the commercial entity and collateral over real property held by the individuals and/or commercial entity.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet identified. For these receivables, the estimated impairment losses are recognised in a separate provision for impairment. The group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash.

Impairment losses are recognised in profit or loss within “Lease impairment expense”. Subsequent recoveries of amounts previously written off are credited against the same account.

Individually impaired receivables relate to customers that are experiencing unexpected economic difficulties. The group expects that a portion of the receivables will be recovered and has recognised impairment losses of $1,396,356 throughout FY17.

The aging of receivables in arrears at 30 June 2017 is detailed below. At 30 June 2017, the total principal balance of unimpaired receivables past 30 days due totaled $1,750,521 or 1.05% of net receivables.

Axsesstoday Limited
Arrears portfolio principal balance after write-offs

For the year ended 30 June 2017

Arrears Bucket	
30 - 60 days	**871,400**
60 - 90 days	**223,191**
90+ days	**655,930**
Total	**1,750,521**

Movements in the provision for impairment of receivables that are assessed for impairment collectively are as follows:

Axsesstoday Limited
Movements in the provision for impairment of receivables

For the year ended 30 June 2017

	2017	2016
Financial Assets		
At 1 July	**793,171**	380,453
Provision for impairment recognised during the year	**2,522,935**	562,914
Receivables written off during the year as uncollectable	**(1,403,579)**	(150,196)
Unused amounts reversed	**-**	-
At 30 June	**1,912,527**	793,171

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the group had debt facilities in place of $194,500,000 (2016 – 48,050,000) of which $142,000,000 (2016 - $47,350,000) had been utilised at year end. The unutilised facilities are readily available to generate cash inflows for managing liquidity risk.

Management monitors rolling forecasts of the group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

To mitigate against liquidity risk, the Group maintains cash reserves and committed undrawn credit facilities to meet anticipated funding requirements for new business. In addition, the Group can redraw against its committed credit limits if the principal outstanding is reduced by contractual amortisation payments.

Amounts due to funders are repaid directly by rentals and repayments received from the Group's customers.

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

Axsesstoday Limited
Undrawn borrowing facilities

For the year ended 30 June 2017

	2017	2016
Floating rate		
- Expiring within one year (bank overdraft and bill facility)	**2,500,000**	700,000
- Expiring beyond one year (bank loans)	**50,000,000**	-
Total	**52,500,000**	700,000

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Axsesstoday Limited
Contractual maturities of financial liabilities

Contractual maturities of financial liabilities	Less than 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
At 30 June 2017						
Non-derivatives						
Trade payables	3,327,759	-	-	-	3,327,759	3,327,759
Borrowings (excluding finance leases)	9,893,400	10,341,400	160,110,150	-	180,334,950	137,640,142
Total non-derivatives	13,221,159	10,341,400	160,110,150	-	183,662,709	140,967,901
Derivatives	-	-	-	-	-	-

At 30 June 2016

Non-derivatives						
Trade payables	939,803	-	-	-	939,803	939,803
Borrowings (excluding finance leases)	31,445,200	1,730,000	25,190,000	432,500	58,797,700	47,239,193
Total non-derivatives	32,385,003	1,730,000	25,190,000	432,500	59,737,503	48,178,996
Derivatives	-	-	-	-	-	-

4 Capital Management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital

The Group monitors capital on the basis of its secured debt to eligible receivable ratio. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

5 Critical estimates, judgements and errors

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

The Company acknowledges that the provision for lease impairments involves a level of estimation. Management meet on a regular basis to identify the accounts in distress and estimate the provision for impairment. Loan and lease receivables are carried at amortised cost less a provision for impairment. The provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable.

6 Derivative Financial Instruments

Derivatives are only used for economic hedging purposes and not as trading or speculative investments. The group has the following derivative financial instruments:

Axsesstoday Limited
Derivative financial instruments

For the year ended 30 June 2017

	2017	2016
Current liabilities		
Interest rate swap contracts - cash flow hedges	**550,567**	494,857
Total current derivative financial instrument liabilities	**550,567**	**494,857**

(a) Instruments used by the group

The group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates in accordance with the group's financial risk management policies.

The variable interest rate is 1.85% above the 90 day bank bill rate which at the end of the reporting period was 1.72% (2016: 1.99%). The interest rate swap contracts currently in place have fixed interest rates as follows:

Axsesstoday Limited
Interest rate swap contracts

For the year ended 30 June 2017

		Expiry Date	Rate
Notional Amount			
$	15,000,000	**9/07/2020**	2.26%
$	20,000,000	**9/07/2020**	2.77%

The contracts require monthly and quarterly settlement of net interest receivable or payable. The settlement dates coincide with the dates on which interest is payable on the underlying debt. The contracts are settled on a net basis.

The gain or loss from re-measuring the hedging instruments at fair value is recognised in other comprehensive income and deferred in equity in the hedging reserve, to the extent that the hedge is effective.

7 Fair value measurement of financial instruments

This note provides an update on the judgements and estimates made by the group in determining the fair values of the financial instruments since the last annual financial report.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2017 and 30 June 2016 on a recurring basis:

Axsesstoday Limited
Fair value measurement of financial instruments
For the year ended 30 June 2017

	Level 1	Level 2	Level 3	Total
At 30 June 2017				
Non-current Liabilities:				
Derivatives used for hedging - interest rate swap	-	550,567	-	550,567
Total Non-Current Liabilities	-	**550,567**	-	**550,567**
At 30 June 2016				
Non-current Liabilities:				
Derivatives used for hedging - interest rate swap	-	494,857	-	494,857
Total Non-Current Liabilities	-	**494,857**	-	**494,857**

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2017.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted marked price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over–the–counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(b) Valuations techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2.

(c) Fair value measurements using significant unobservable inputs

There were no transfers between the levels of the fair value hierarchy in the year to 30 June 2017. There were also no changes made to any valuations techniques applied as of 30 June 2016.

(d) Fair values of other financial instruments (unrecognised)

The group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature.

8 Operating Segments

The Group has two reportable segments based on the asset classes that comprise the majority of the lease receivables balance, being Hospitality and Transport. The two segments are managed separately with distinct products because they are significantly different markets. For each of the segments, the Group's Chief Executive Officer and other executive managers review internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Hospitality – providing equipment finance and chattel mortgages to the hospitality industry
- Transport – providing equipment finance and chattel mortgages to the transport industry
- Other Sectors – providing equipment finance and chattel mortgages to industries outside hospitality and transport such as beauty and fitness
- Other Products – providing business loans to small to medium sized enterprises.

Axsesstoday Limited
Operating segments

For the year ended 30 June 2017

	Hospitality	Transport	Other sectors	Other products	Total
At 30 June 2017					
Revenue	11,862,240	6,821,338	2,894,701	620,509	22,198,788
Operating costs	(6,660,361)	(1,706,325)	(2,018,689)	(310,905)	(10,696,280)
Finance costs	(2,469,859)	(2,596,466)	(817,305)	(449,037)	(6,332,667)
Reportable segment profit/loss before tax	2,732,020	2,518,547	58,707	(139,433)	5,169,841
Segment receivables	65,308,877	68,656,678	21,611,477	11,873,601	167,450,633
Segment debt	53,747,801	56,389,959	17,750,208	9,752,174	137,640,142
At 30 June 2016					
Revenue	5,491,017	1,554,550	1,646,868	-	8,692,435
Operating costs	(2,527,714)	(354,158)	(1,282,473)	-	(4,164,345)
Finance costs	(1,500,379)	(724,532)	(288,437)	-	(2,513,348)
Reportable segment profit/loss before tax	1,462,924	475,860	75,958	-	2,014,742
Segment receivables	31,304,207	15,116,780	6,092,567	-	52,513,554
Segment debt	28,229,960	13,632,228	5,427,005	-	47,289,193

Allocation of operating expenses is based on the number of open customer accounts per segment. At 30 June 2017, the average financed amount for hospitality and transport segments were approximately $14,000 and $62,000, respectively.

9 Revenue

Axsesstoday Limited
Revenue

For the year ended 30 June 2017

	2017	2016
From continuing operations		
Lease interest	**20,213,670**	8,343,235
Loan Interest	**1,091,384**	107,375
Total revenue from continuing operations	**21,305,054**	8,450,610
Other income	**893,734**	241,825
Total revenue and other income from continuing operations	**22,198,788**	8,692,435

10 Income tax expense

(a) Income tax expense

Axsesstoday Limited
Income tax expense

For the year ended 30 June 2017

	2017	2016
Current tax		
Current tax	**285,778**	84,573
Total current tax expense	**285,778**	84,573
Deferred income tax		
Decrease (increase) in deferred tax assets (Note 14)	**(476,801)**	(204,268)
(Decrease) increase in deferred tax liabilities (Note 14)	**1,711,933**	704,160
Total deferred tax expense/(benefit)	**1,235,132**	499,892
Income tax expense	**1,520,910**	584,465
Income tax expense is attributable to:		
Profit from continuing operations	**1,520,910**	584,465

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Axsesstoday Limited
Reconciliation of income tax expense

For the year ended 30 June 2017

	2017	2016
From continuing operations		
Profit from continuing operations before income tax expense	**5,169,841**	2,014,742
Tax at the Australian tax rate of 30.0% (2016 - 30.0%)	**1,550,952**	604,423
Tax effect of amounts which are not deductible (taxable)		
in calculating taxable income:		
Sundry items	**(30,042)**	(19,958)
Income tax expense	**1,520,910**	584,465

11 Current assets - Cash and cash equivalents

Axsesstoday Limited
Cash and cash equivalents

For the year ended 30 June 2017

	2017	2016
Cash at bank and in hand	**2,404,228**	599,778

12 Assets – Receivables

Axsesstoday Limited Receivables

For the year ended 30 June 2017

	2017	2016
Current:		
Lease receivables	**33,296,576**	17,073,531
Loan receivables	**13,484,561**	1,110,641
Provision for impairment of receivables	**(564,643)**	-
Total	**46,216,494**	18,184,172
Receivables balance consists of:		
Principal	**44,457,003**	17,150,569
Initial direct costs	**2,324,134**	1,033,603
Provision for impairment of receivables	**(564,643)**	-
Total	**46,216,494**	18,184,172
Non-Current:		
Lease receivables	**115,886,398**	35,122,553
Loan receivables	**6,695,623**	-
Provision for impairment of receivables	**(1,347,884)**	(793,171)
Total	**121,234,139**	34,329,382
Receivables balance consists of:		
Principal	**116,058,949**	33,012,242
Initial direct costs	**6,523,074**	2,110,311
Provision for impairment of receivables	**(1,347,884)**	(793,171)
Total	**121,234,139**	34,329,382

Axsesstoday Limited
Receivables

For the year ended 30 June 2017

	2017	2016
Receivables - group as lessor		
Commitments in relation to receivables as follows:		
Within one year	**88,647,443**	27,150,319
Later than one year but not later than five years	**172,124,086**	58,133,575
Minimum lease receivable	**260,771,529**	85,283,894
Unearned interest income	**(93,320,896)**	(32,770,340)
Minimum lease receivable	**167,450,633**	52,513,554
Representing receivables:		
Current	**46,216,494**	18,184,172
Non-current	**121,234,139**	34,329,382
Total	**167,450,633**	52,513,554

a) Impaired trade receivables

Movements in the provision for impairment of receivables that are assessed for impairment collectively are as follows:

Axsesstoday Limited
Movements in the provision for impairment of receivables

For the year ended 30 June 2017

	2017	2016
At 1 July	**793,171**	380,453
Provision for impairment recognised during the year	2,522,935	562,914
Receivables written off during the year as uncollectable	**(1,403,579)**	(150,196)
Unused amounts reversed	**-**	-
At 30 June	**1,912,527**	793,171

The creation and release of the provision for impaired receivables has been included in ‘lease impairment expense’ in profit and loss statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

13 Non-current assets - Property, plant and equipment

	Axsesstoday Limited Non-current assets - Property, plant and equipment
	For the year ended 30 June 2017
	Total
At 1 July 2015	
Net book amount	67,134
Year ended 30 June 2016	
Opening net book amount	67,134
Additions	54,468
Depreciation charge	(8,007)
Closing net book amount	113,595
At 30 June 2016	
Cost	139,405
Accumulated depreciation	(25,810)
Net book amount	113,595
At 1 July 2016	
Net book amount	113,595
Year ended 30 June 2017	
Opening net book amount	113,595
Additions	616,575
Depreciation charge	(63,493)
Closing net book amount	666,677
At 30 June 2017	
Cost	730,170
Accumulated depreciation	(63,493)
Net book amount	666,677

14 Non-current liabilities - Deferred tax assets and liabilities

Axsesstoday Limited
Deferred tax assets

For the year ended 30 June 2017

	2017	2016
The balance comprises temporary differences attributable to:		
Provision for impairment of receivables	**573,758**	237,951
Lease receivables	**161,889**	80,945
Employee benefits	**101,198**	41,148
Derivative financial instruments	**313,639**	148,457
Total deferred tax assets	**1,150,484**	508,501
Set-off of deferred tax liabilities pursuant to set-off provisions		-
Set-off of deferred tax liabilities pursuant to set-off provisions	**(1,150,484)**	(508,501)
Net deferred tax assets	**-**	-

Axsesstoday Limited
Deferred tax assets - movements

For the year ended 30 June 2017

Movements	Provision for impairment of receivables	Employee benefits	Lease receivables	Derivative financial instruments	Total
At 1 July 2015	**114,136**	**20,744**	**20,896**	**-**	**155,776**
(Charged)/ credited					
Charged/ (credited) - profit or loss	**123,815**	**20,404**	**60,049**	**-**	**204,268**
Charged/(credited) - to other comprehensive income	**-**	**-**	**-**	**148,457**	**148,457**
At 30 June 2016	**237,951**	**41,148**	**80,945**	**148,457**	**508,501**
At 1 July 2016	**237,951**	**41,148**	**80,945**	**148,457**	**508,501**
(Charged)/credited					
Charged/(credited) - profit or loss	335,807	60,050	80,944	-	476,801
Charged/(credited) - to other comprehensive income	-	-	-	165,182	165,182
At 30 June 2017	**573,758**	**101,198**	**161,889**	**313,639**	**1,150,484**

Axsesstoday Limited Deferred tax liabilities

For the year ended 30 June 2017

	2017	2016
The balance comprises temporary differences attributable to:		
Initial direct costs - commissions	**2,654,162**	942,229
Intangibles	**78,728**	78,728
	2,732,890	1,020,957
Total deferred tax liabilities	**2,732,890**	1,020,957
Set-off of deferred tax assets pursuant to set-off provisions	**(1,150,484)**	(508,501)
Net deferred tax liabilities	**1,582,406**	512,456

Axsesstoday Limited
Deferred tax liabilities - movements

For the year ended 30 June 2017

Movements	Initial direct costs - commissions	Intangibles	Total
At 1 July 2015	**285,461**	**31,336**	**316,797**
Charged/(credited) - profit or loss	656,768	47,392	704,160
At 30 June 2016	**942,229**	**78,728**	**1,020,957**
At 1 July 2016	**942,229**	**78,728**	**1,020,957**
Charged/(credited) - profit or loss	1,711,933	-	1,711,933
At 30 June 2017	**2,654,162**	**78,728**	**2,732,890**

15 Non-current assets – Intangible assets

Axsesstoday Limited Non-current assets - intangible assets	
	For the year ended 30 June 2017
	Total
At 1 July 2015	
Net book amount	293,414
Year ended 30 June 2016	
Opening net book amount	293,414
Additions	165,663
Depreciation charge	(5,911)
Closing net book amount	453,166
At 30 June 2016	
Cost	495,939
Accumulated amortisation and impairment	(42,773)
Net book amount	453,166
At 1 July 2016	
Net book amount	453,166
Year ended 30 June 2017	
Opening net book amount	453,166
Additions	428,088
Depreciation charge	(61,757)
Closing net book amount	819,497
At 30 June 2017	
Cost	881,254
Accumulated amortisation and impairment	(61,757)
Net book amount	819,497

*Intangible assets comprise predominantly of capital purchases relating to IT software development.

16 Current liabilities - Trade and other payables

Axsesstoday Limited
Current liabilities - trade and other payables

For the year ended 30 June 2017

	2017	2016
Trade payables	**942,963**	196,641
Accrued expenses	**794,336**	287,637
Interest payable	**1,590,460**	455,525
	3,327,759	939,803

17 Current liabilities - Provisions

Axsesstoday Limited
Current liabilities - provisions

For the year ended 30 June 2017

	2017	2016
Employee benefits (a)	**194,966**	73,682
Deferred Lease Incentive Liability	**88,074**	-
	283,040	73,682

(a) Leave obligations

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the provision of $194,966 (2016: $73,682) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not to be expected to be taken or paid within the next 12 months.

Axsesstoday Limited
Current liabilities - provisions

For the year ended 30 June 2017

	2017	2016
Current leave obligations expected to be settled after 12 months	**32,921**	73,682

18 Non-current liabilities - Provisions

Axsesstoday Limited
Non-current liabilities - provisions

For the year ended 30 June 2017

	2017	2016
Deferred Lease Incentive Liability	**337,615**	-

19 Borrowings

	Axsesstoday Limited Borrowings	
	For the year ended 30 June 2017	
	2017	**2016**
Current borrowings - Secured:		
Bank loans	-	25,300,000
Total secured current borrowings	-	25,300,000
Current borrowings - Unsecured:		
Loans from related parties	-	750,000
Total unsecured current borrowings	-	750,000
Non-current borrowings - Secured:		
Bank loans*	**59,897,367**	-
Subordinated notes**	**77,742,775**	19,239,193
Total secured non-current borrowings	**137,640,142**	19,239,193
Non-current borrowings - Unsecured:		
Loans from related parties	-	2,000,000
Total unsecured non-current borrowings	-	2,000,000

*amount is the principal balance net of borrowing costs of $2,102,633

**amount is the principal balance net of borrowing costs of $2,257,225

Bank loans:

On 9 November 2016 Axsesstoday Limited ("the borrower") refinanced the Senior Corporate Debt Facility with the Commonwealth Bank of Australia Limited ("the Lender").

On 15 March 2017, the Company amended its facility with the Lender by increasing the facility limit to $62,000,000.

At 30 June 2017, Axsesstoday established a syndicated banking facility with Commonwealth Bank of Australia Limited and Macquarie Bank Limited ("the Syndicate"). Axsesstoday had access to loan facilities of $112,000,000 (Australian dollars).

The Syndicate has security over the following:

- Axsesstoday Limited
- Axsesstoday Operations Pty Ltd
- A.C.N. 603 303 126 Pty Ltd
- Axsesstoday Retail Pty Ltd

Senior subordinated notes:

On 2 May 2017, Axsesstoday completed the issuance of a secured corporate note for a total of $30,000,000. The Secured Note sits within a new tranche of security that ranks between the pre-existing Subordinated Notes and the Senior Secured Bank Debt.

The Notes will be unconditionally and irrevocably guaranteed on a joint and several and secured basis by the Guarantors, subject to the release of such Guarantors and the addition of new entities as Guarantors as set out in the Note Trust Deed. The obligations of each Guarantor under the Guarantee will be obligations of that Guarantor secured by a general security agreement granted by that Guarantor in favour of the Security Trustee and will at all times rank equally among themselves and at least equally with all other direct, senior, secured and unconditional obligations of that Guarantor, and behind the Permitted Senior Debt and liabilities mandatorily preferred by law.

The Guarantors of the Notes are:

- Axsesstoday Limited
- Axsesstoday Operations Pty Ltd
- A.C.N. 603 303 126 Pty Ltd (Issuer)
- Axsesstoday Retail Pty Ltd

All financial covenants have been met for the period ended 30 June 2017.

Subordinated notes:

On 29 September 2016 and 26 June 2017, the Company increased it's the number of notes on issuance by 20,000,000 and 10,000,000 respectively. The notes are completely fungible with the existing subordinated notes issued on 9 October 2015.

The Subordinated Notes are unconditionally and irrevocably guaranteed on a joint and several and unsecured and subordinated basis between the group and BNY Trust Company of Australia Limited. The Subordinated Notes are the second and third ranking Security behind the Permitted Senior Debt and liabilities mandatorily preferred by law.

The Subordinated Notes will be unconditionally and irrevocably guaranteed on a joint and several and unsecured and subordinated basis by the group. The obligations of the group under the Guarantee will be unsecured obligations of that group and will at all times rank equally among themselves and at least equally with all other direct, unsecured and unconditional obligations of that Guarantor, other than the Permitted Senior Debt and liabilities mandatorily preferred by law.

All financial covenants have been met for the period ended 30 June 2017.

20 Contributed equity

(a) Share capital

				Axsesstoday Limited Contributed equity - share capital
				For the year ended 30 June 2017
	2017 Shares	**2016 Shares**	**2017 $**	**2016 $**
Ordinary shares fully paid	**46,150,704**	24,100,000	**28,371,168**	4,501,000

(b) Movements in ordinary share capital

Axsesstoday Limited Contributed equity - movements in ordinary share capital		
		For the year ended 30 June 2017
	Number of shares	**$**
Details		
Opening balance 1 July 2015	**2,000**	4,001,000
Shares issued on 15 June 2016	**24,098,000**	500,000
Closing balance 30 June 2016	**24,100,000**	4,501,000
Opening balance 1 July 2016	**24,100,000**	4,501,000
Shares issued on 11 July 2016	**3,000,000**	2,990,713
Shares issued on 3 August 2016	**500,000**	500,000
Shares issued on 19 October 2016	**100,000**	-
Shares issued on 21 December 2016	**10,000,000**	8,929,455
Shares issued on 30 March 2017	**5,655,000**	7,654,776
Shares issued on 10 May 2017	**2,795,704**	3,795,224
Closing balance 30 June 2017	**46,150,704**	28,371,168

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the group in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Group does not have a limited amount of authorised capital. For further details on the Company's shareholders please refer to Shareholder Information on page 95.

(d) Performance Shares

On 19 October 2016, Axsesstoday issued 5,000,000 Performance Shares (Tranche 1) and 8,000,000 Performance Shares (Tranche 2). A summary of the Performance Share Terms and Conditions is provided below. The Performance Shares were issued to Yaniv Meydan, Peter Ferizis, Michael Sack, Ashley Krongold, Meir Kramer and Ryan Raymond. The description below is only a summary and is qualified in its entirety by reference to the Constitution and the Corporations Act and the Listing Rules.

Performance Shares Terms and Conditions:

Performance Shares (Tranche 1 and Tranche 2) will convert into Shares in the event the Performance Shares (Tranche 1 and Tranche 2) milestones are satisfied. 100% of the Performance Shares held by each Performance Shareholder will convert into Shares on the basis of one Share for every one Performance Share.

The Performance Shares (Tranche 1) Milestone is as follows:

- The Axsesstoday Group achieving NPAT for FY18 of $5,250,000 or more;
- Axsesstoday achieving a target basic earnings per Share of $0.123 based on the volume weighted average price of shares on issue during FY18; and
- During the period commencing from the date of issue of the Performance Shares and ending on 30 June 2018, Axsesstoday must not have been in breach of any of Axsesstoday's debt covenants for more than 20 consecutive business days without such breach having been rectified.

The Performance Shares (Tranche 2) Milestone is as follows:

- The Axsesstoday Group achieving NPAT for FY19 of A$8,100,000 or more;
- Axsesstoday achieving a target basic earnings per Share of $0.148 based on the volume weighted average price of shares on issue during FY2019; and
- During the period commencing from 1 July 2018 and ending on 30 June 2019, Axsesstoday must not have been in breach of any of Axsesstoday's debt covenants for more than 20 consecutive business days without such breach having been rectified.

The issuance of the Performance Shares does not impact the net assets or earnings of the Company. As the Performance Shares were issued and are held by the existing shareholders prior to the Offer, if the performance shares vest they will convert one for one into ordinary shares with a dilutive impact on the other shareholders.

21 Retained earnings

Movements in retained earnings were as follows:

	Axsesstoday Limited Retained earnings	
	For the year ended 30 June 2017	
	2017	**2016**
Balance 1 July	**1,647,901**	217,624
Net profit for the year	**3,648,931**	1,430,277
Balance 30 June	**5,296,832**	1,647,901

22 Other reserves

(i) Nature and purpose of other reserves

Hedging reserve

The hedging reserve is used to record gains or losses on cash flow hedging instruments that are recognised in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss.

	Axsesstoday Limited Other reserves		
	For the year ended 30 June 2017		
	2017	**2016**	**Movement**
Cash flow hedges	**(385,397)**	(346,400)	(38,997)

23 Dividends

After 30 June 2017, the following dividends were announced by the Company. The dividends have not been provided for and there are no income tax consequences.

	Axsesstoday Limited Dividend		
	Cents per share	**Total amount**	**Date of payment**
Final dividend 2017	2.2	1,030,374	TBD

	Axsesstoday Limited Franking credits	
	For the year ended 30 June 2017	
	2017	**2016**
Franking credits available for subsequent reporting periods based on a tax rate of 30.0% (2015 - 30.0%)	**465,165**	178,205
	465,165	178,205

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

Franked dividends

The franked portions of the final dividends after 30 June 2017 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ended 30 June 2017.

24 Earnings per Share

The calculation of basic earnings per share at 30 June 2017 was based on the following profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

(a) Basic earnings per share

	Axsesstoday Limited Basic earnings per share	
	For the year ended 30 June 2017	
	2017 (cents)	**2016 (cents)**
From continuing operations attributable to the ordinary equity holders of the company	**10.52**	6.03
From discontinued operation	**-**	-
Total basic earnings per share attributable to the ordinary equity holders of the company	**10.52**	6.03

(b) Diluted earnings per share

Axsesstoday Limited Diluted earnings per share For the year ended 30 June 2017	2017 (cents)	2016 (cents)
From continuing operations attributable to the ordinary equity holders of the company	**8.34**	6.03
From discontinued operation	**-**	-
Total basic earnings per share attributable to the ordinary equity holders of the company	**8.34**	6.03

(c) Reconciliation of earnings used in calculating earnings per share

Axsesstoday Limited Reconciliation of earnings used in calculating earnings per share For the year ended 30 June 2017	2017 (cents)	2016 (cents)
Basic earnings per share Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	**3,648,931**	1,430,277
From discontinued operation	**-**	-
Total	**3,648,931**	1,430,277
Diluted earnings per share Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	**3,648,931**	1,430,277
From discontinued operation	**-**	-
Total	**3,648,931**	1,430,277

(d) Weighted average number of shares used as the denominator

	Axsesstoday Limited Weighted average number of shares	
	For the year ended 30 June 2017	
	2017	**2016**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**34,671,570**	23,707,444
Adjustments for calculation of diluted earnings per share:		
Performance shares	**9,082,192**	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**43,753,762**	23,707,444

(e) Information concerning the classification of securities

Performance Shares (Tranche 1 and Tranche 2) will convert into Shares in the event the Performance Shares (Tranche 1 and Tranche 2) milestones are satisfied. 100% of the Performance Shares held by each Performance Shareholder will convert into Shares on the basis of one Share for every one Performance Share. For more details see Note 20 (d).

25 Remuneration of auditors

	Axsesstoday Limited Remuneration of auditors	
	Audit and other assurance services	
	2017	**2016**
Audit and review of financial statements	**130,000**	50,000
Other services	**24,000**	20,000
Total remuneration for audit and other assurance services	**154,000**	70,000

26 Contingent liabilities and contingent assets

Bank guarantees totaling $380,532 exist at 30 June 2017 (2016: $nil).

27 Commitments

(a) Finance leases - group as lessor

Axsesstoday Limited
Commitments - finance leases

Commitments in relation to finance leases are receivable as follows:

	2017	2016
Commitments in relation to finance leases are receivable as follows:		
Within one year	**88,647,443**	27,150,319
Later than one year but not later than five years	**172,124,086**	58,133,575
Minimum lease receivable	**260,771,529**	85,283,894
Unearned interest income	**(93,320,896)**	(32,770,340)
Total lease assets	**167,450,633**	52,513,554
Representing lease assets:		
Current	**46,216,494**	18,184,172
Non-current	**121,234,139**	34,329,382
Total	**167,450,633**	52,513,554

(b) Non-cancellable operating leases

The group leases office space under non-cancellable operating leases expiring within five years.

Axsesstoday Limited
Commitments - non-cancellable operating leases

Non-cancellable operating leases - group as lessee

	2017	2016
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	**305,600**	-
Later than one year but not later than five years	**1,280,533**	-
Total	**1,586,133**	-

28 Related party transactions

(a) Subsidiaries

Interests in subsidiaries are set out in note 29.

(b) Key management personnel compensation

	Axsesstoday Limited Related party transactions - KMP compensation	
	Non-cancellable operating leases - group as lessee	
	2017	**2016**
Short-term employee benefits	**774,638**	376,396
Post-employment benefits	**68,823**	26,636
Total	**843,461**	403,032

(c) Loans to/from related parties

	Axsesstoday Limited Loans from related parties	
	For the year ended 30 June 2017	
	2017	**2016**
A H Meydan Pty Ltd		
Beginning of the year	**750,000**	-
Loan drawdown/(repayment)	**(750,000)**	750,000
Interest charged	**22,680**	74,021
Interest paid	**(22,680)**	(74,021)
End of year	**-**	750,000
Krongold		
Beginning of the year	**2,000,000**	2,000,000
Loan drawdown/(repayment)	**(2,000,000)**	-
Interest charged	**116,110**	80,795
Interest paid	**(116,110)**	(80,795)
End of year	**-**	2,000,000

29 Interests in other entities

Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described in note 2:

Axsesstoday Limited Investments in subsidiaries				
For the year ended 30 June 2017				
			Entity holding**	
Name of entity	Country of incorporation	Class of shares	2017 %	2016 %
Axsesstoday Operations Pty Ltd (formerly A.C.N. 604 340 785 Pty Ltd)	Australia	Ordinary	**100**	100
A.C.N. 603 303 126 Pty Ltd	Australia	Ordinary	**100**	100
Axsesstoday Retail Pty Ltd (formerly A.C.N. 161 130 696 Pty Ltd)	Australia	Ordinary	**100**	100

30 Events occurring after the reporting period

The Group announced its intention to pay a dividend of 50% of 2H17 net profit after tax. The details of the dividend will be confirmed after the release of this report.

31 Cash flow reconciliation

Axsesstoday Limited
Reconciliation of profit after income tax to net cash (outflow) from operating activities

For the year ended 30 June 2017

	2017	2016
Profit for the year	**3,648,931**	1,430,277
Depreciation and amortisation	**99,918**	13,918
Amortisation of borrowing costs	**634,686**	-
Net (gain) loss on sale of non-current assets	**-**	-
Change in operating assets and liabilities:		
(Increase) in trade and other receivables	**(119,096,597)**	(37,047,524)
Increase in trade and other payables	**2,426,316**	631,201
(Decrease) increase in provision for income taxes payable	**112,128**	178,205
Increase in deferred tax liabilities	**1,069,950**	202,978
Increase in other provisions	**546,973**	49,754
Net cash (outflow) from operating activities	**(110,557,695)**	(34,541,191)

32 Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	Axsesstoday Limited Individual financial statements for the parent entity activities	
	For the year ended 30 June 2017	
	2017	**2016**
Balance sheet		
Current assets	**6,087,511**	1,524,295
Non-current assets	**84,508,088**	31,112,882
Total assets	**90,595,599**	32,637,177
Current liabilities	**1,141,280**	26,120,379
Non-current liabilities	**61,076,669**	2,000,000
Total liabilities	**62,217,949**	28,120,379
Net Assets	**28,377,650**	4,516,798
Shareholders' equity		
Issued capital	**28,370,168**	4,501,000
Retained earnings	**7,482**	15,798
	28,377,650	4,516,798
Profit/(loss) for the year	**(8,316)**	5,182
Total comprehensive income	**(8,316)**	5,182

(b) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2017 or 30 June 2016.

Directors' declaration

In the opinion of the Directors:

- the Financial Statements and notes set out on pages 29 to 86 are in accordance with the Corporations Act 2001, including:
    - *complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and*
    - *giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date and*
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by the section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors.

Peter Ferizis
Managing Director and Chief Executive Officer
Melbourne, 16 August 2017

Independent auditor's report

To the shareholders of Axsesstoday Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Axsesstoday Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

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

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

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2017
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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

Independence

We are independent of the Group 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.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Materiality

- For the purpose of our audit we used overall materiality of $1.771 million which represents approximately 1% of the Group's total assets.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose total assets because, in our view, it is the benchmark against which the performance of the Group is most commonly measured.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The Group is a provider of equipment finance small to medium enterprise customers in the hospitality and transport sectors across Australia. Our audit consisted of procedures predominantly performed by the audit engagement team at the head office in Melbourne, where all operations are located.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	How our audit addressed the key audit matter
Borrowings *(Refer to note 19)* The Group utilises borrowings from its Financiers to fund the operations of the business. At 30 June 2017, the Group recognised total borrowings of $137.6m which represent approximately 96% of total liabilities. Borrowings were considered a key audit matter due to the following: - Borrowings are significant to the consolidated statement of financial position - The ongoing availability of financing is important to the capital structure and business operations of the Group - Interest and establishment fees on these facilities are significant to total expenses.	We read the Facility & Security Agreements between the Group and its Financiers to understand the key terms which included applicable fees and charges, repayment date, terms of default and financial covenants applicable to the Group. We obtained confirmations directly from the Group's Financiers to confirm amounts owed as at 30 June 2017. Where debt was regarded as non-current, we evaluated the Group's assessment that they had the unconditional right to defer payment such that there were no repayments required within 12 months from the balance date.
Recoverability of Lease and Loan Receivables *(Refer to note 12)* As at 30 June 2017, the Group recognised a lease and loan receivable balance of $167.5 m. Recoverability of lease and loan receivables was considered a key audit matter due to the following: - The significance of lease and loan receivables on the consolidated statement of financial position, representing approximately 95% of total assets	We assessed the Group's policy and procedures to calculate their provision for impairment of lease and loan receivables. We obtained an understanding of the Group's processes and policies for lease and loan approvals and performed tests of key controls relating to contract acceptance and monitoring of arrears We assessed the provision by performing the following procedures: - comparing the total amount of accounts in arrears as at 30 June 2017 to the

Key audit matter	*How our audit addressed the key audit matter*
- The judgement and inherent uncertainty involved in determining the recoverability of the lease and loan receivable and how much cash will be received from customers	provision for impairment of lease and loan receivables - considering the trend of recoverability from lease and loan receivables that are in arrears - considering the historical levels of impairment and default - considering post year end activity for a sample of accounts that were in arrears at 30 June 2017 - considering the diversification in receivables (by location, nature and size) - comparing the provision as a percentage of the total loan book against other lenders.

Other information

The directors are responsible for the other information. The other information comprises the Update from the Chairman, Testimonials, Directors' Report and Shareholder Information included in the Group's Annual Report for the year ended 30 June 2017 but does not include the financial report and our 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.

In connection with our audit of the financial report, our responsibility is to read the other information identified above 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 Group 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 Group or to cease operations, or have 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 20 to 27 of the Directors' Report for the year ended 30 June 2017.

In our opinion, the remuneration report of Axsesstoday Limited for the year ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Daniel Rosenberg
Partner

Melbourne
16 August 2017

Shareholder Information

Shareholder Information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholding as at 10 August 2017

The number of substantial shareholders and their associates is set out below:

Shareholder	Ordinary Shares
Program Force Pty Ltd	11,825,246
Nahta Pty Ltd	4,026,536
MRGS Pty Ltd	4,026,536
Marlion Custodians Pty Ltd	3,552,826
Innvale Pty Ltd	3,310,870
J P Morgan Nominees Australia Ltd	3,258,387

Voting Rights

Ordinary Shares

Every holder of ordinary shares has the right to receive notices of, to attend and to vote at the general meetings of the Company. On a show of hands every shareholder present at a meeting in person or by proxy, attorney or representative is entitled to one vote and upon a poll each share is entitled to one vote.

Axsesstoday Limited
Distribution of Security Holders

As at 10 August 2017

Category	Holders	Ordinary Shares
1-1,000	37	19,588
1,001-5,000	134	505,181
5,001-10,000	66	590,266
10,001-100,000	107	3,003,790
100,001 and over	23	42,031,879

On-Market Buy-Back

There is no current on-market buy-back.

Twenty largest shareholders as at 10 August 2017

	Axsesstoday Limited 20 Largest Shareholders	
		As at 10 August 2017
Name	**Number of ordinary shares held**	**Percentage of capital held**
Program Force Pty Ltd	11,825,246	25.62%
Nahta Pty Ltd	4,026,536	8.72%
MRGS Pty Ltd	4,026,536	8.72%
Marlion Custodians Pty Ltd	3,552,826	7.70%
Innvale Pty Ltd	3,310,870	7.17%
J P Morgan Nominees Australia Limited	3,258,387	7.06%
HSBC Custody Nominees (Australia) Limited	1,948,936	4.22%
Snowtec Pty Ltd	1,657,986	3.59%
UBS Nominees Pty Ltd	1,549,598	3.36%
BNP Paribas Noms Pty Ltd	1,494,407	3.24%
Citicorp Nominees Pty Limited	1,096,099	2.38%
National Nominees Limited	1,003,620	2.17%
Aust Executor Trustees Ltd	838,095	1.82%
Aust Executor Trustees Ltd	540,845	1.17%
Chesapeake Capital Ltd	402,650	0.87%
CS Third Nominees Pty Limited	233,671	0.51%
Scotch Investments Pty Ltd	210,000	0.46%
CS Fourth Nominees Pty Limited	208,624	0.45%
Citicorp Nominees Pty Limited	202,585	0.44%
RBC Investor Services Australia Nominees Pty Ltd	188,088	0.41%
Netwealth Investments Limited	178,000	0.39%
Total	**41,753,605**	**90.47%**