



MYOB FINANCE AUSTRALIA LIMITED ABN 25 161 013 654

**APPENDIX 4D – HALF YEAR REPORT GIVEN TO ASX UNDER LISTING RULE 4.2A.3 FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2014**

Item	Contents
1	Details of the reporting period
2	Results for announcement to the market
3	Net tangible assets per security
4	Dividends and distributions
5	Other information

**1. DETAILS OF THE REPORTING PERIOD**

**Reporting period:** 6 month period ended 30 June 2014

**Previous corresponding period:** 6 month period ended 30 June 2013

**2. RESULTS FOR ANNOUNCEMENT TO THE MARKET**

	Up/down	% change or \$'000	\$'000
Revenue from ordinary activities	Up	16%	8,932
Profit from ordinary activities after tax for the period attributable to members	Up	Previous period was a loss of (270)	893
Net Profit for the period attributable to members	Up	Previous period was a loss of (270)	893

Dividends per security	Cents per security	Franked amount per security
30 June 2014	nil	nil
Record date for determining entitlements to dividends	N/A	

**Brief explanation of any of the figures reported above necessary to enable the figures to be understood:** Refer to the Directors' Report within the attached Interim Financial Report.



### 3. NET TANGIBLE ASSETS PER SECURITY

	Up/down	% change	30 June 2014 cents per security
Net tangible assets per security	N/A	N/A	N/A

### 4. DIVIDENDS AND DISTRIBUTIONS

The company did not pay any distributions during the 6 month period ended 30 June 2014. The company has not declared any distributions for the 6 month period ended 30 June 2014.

During the 6 month period ended 30 June 2014, the Company has paid all interest amounts that it was required to pay under the MYOB Subordinated Notes issued on 20 December 2012.

### 5. OTHER INFORMATION

Details of entities over which control has been gained or lost during the period: N/A

Details of any dividend or distribution reinvestment plans in operation: N/A

Details of associates and joint venture entities: N/A



# **MYOB Finance Australia Limited**

ACN 161 013 654

## **Interim Financial Report**

**FOR THE HALF-YEAR ENDED 30 JUNE 2014**

# Contents

	Page
<b>Directors' report</b>	1
<b>Financial statements</b>	
Income statement	5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9
<b>Notes to the consolidated financial statements:</b>	
1 Corporate information	10
2 Preparation of interim financial report	10
3 Comparative information	10
4 Income tax expense	11
5 Related party transactions	11
6 Events occurring after the balance sheet date	11
<b>Auditor's review report</b>	12

# DIRECTORS' REPORT

The directors present their report on MYOB Finance Australia Limited for the half-year ended 30 June 2014.

MYOB Finance Australia Limited is a private owned company, incorporated on 30 October 2012.

## DIRECTORS

The following persons were directors of MYOB Finance Australia Limited during the half-year and up to the date of this report:

Craig Boyce  
Serge Walid Sarkis  
Timothy Reed  
Neil Kalvelage  
Richard Moore

## PRINCIPAL ACTIVITIES

MYOB Finance Australia Limited is a special purpose entity established to issue MYOB subordinated notes, listed on the ASX on 20 December 2012. It is a directly held wholly-owned subsidiary of MYOB Holdings Pty Limited.

There were no significant changes in the nature of activities of MYOB Finance Australia Limited during the period.

## REVIEW OF OPERATIONS

For the half-year ended 30 June 2014 MYOB Finance Australia Limited reported operating revenue from continuing operations of \$Nil (2013 half-year period: \$Nil). MYOB Finance Australia Limited's profit from continuing operations before income tax, other expenses, finance income and expenses, depreciation and amortisation was \$1.3 million (2013 half-year period loss: (\$0.5 million)).

## SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of MYOB Finance Australia Limited during the half-year ended 30 June 2014.

## MATTERS SUBSEQUENT TO THE END OF THE PERIOD

There are no matters or circumstances that have arisen since 30 June 2014 that have significantly affected, or may significantly affect:

- (a) MYOB Finance Australia Limited's operations in the future financial year, or
- (b) the results of those operations in future financial years, or
- (c) MYOB Finance Australia Limited's state of affairs in future financial years.

# DIRECTORS' REPORT

## AUDITOR 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 3.

## ROUNDING OF AMOUNTS

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

## TAX CONSOLIDATION

MYOB Finance Australia Limited is 100% private owned and is part of a tax consolidated group, with the ultimate parent entity being MYOB Group Pty Limited.

## AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Board of Directors:



**Tim Reed**  
Director  
MYOB Finance Australia Limited



**Richard Moore**  
Director  
MYOB Finance Australia Limited

Dated at Melbourne this 21<sup>st</sup> day of August 2014



## Auditor's Independence Declaration

As lead auditor for the review of MYOB Finance Australia Limited for the half-year ended 30 June 2014, 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 review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read 'Chris Dodd', is written over the printed name.

Chris Dodd  
Partner  
PricewaterhouseCoopers

Melbourne  
21 August 2014

---

**PricewaterhouseCoopers, ABN 52 780 433 757**  
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001  
T: 61 3 8603 1000, F: 61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of MYOB Finance Australia Limited, we state that:

1. In the opinion of the directors:

- (a) The financial statements and notes of the Company and of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
  - (i) Giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2014 and of their performance for the period ended on that date; and
  - (ii) Complying with Accounting Standards and Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**Tim Reed**  
Director  
MYOB Finance Australia Limited



**Richard Moore**  
Director  
MYOB Finance Australia Limited

Melbourne, 21<sup>st</sup> of August 2014



# Income statement

FOR THE HALF-YEAR ENDED 30 JUNE 2014

	Note	Half-year 2014 \$'000	2013 \$'000
<b>Revenue</b>			
MYOB Group interest		8,932	7,686
Bank interest		-	7
<b>Expenses</b>			
Retail note interest		(7,180)	(7,686)
Amortisation of borrowing costs		<u>(477)</u>	<u>(477)</u>
<b>Profit / (Loss) from operations before income tax</b>		1,275	(471)
Income tax expense / (benefit)	4	(382)	201
<b>Profit / (Loss) from operations after income tax</b>		<u>893</u>	<u>(270)</u>
Profit / (Loss) for the period is attributable to:			
Owners of MYOB Finance Australia Limited		<u><b>893</b></u>	<u><b>(270)</b></u>

The above income statement should be read in conjunction with accompanying notes.

# Statement of comprehensive income

FOR THE HALF-YEAR ENDED 30 JUNE 2014

	Half-year	
	2014 \$'000	2013 \$'000
<b>Profit / (Loss) from operations after income tax</b>	<b>893</b>	<b>(270)</b>
<b>Other comprehensive income / (loss)</b>		
Foreign currency translation	-	-
Change in fair value of cash flow hedges	-	-
<b>Other comprehensive income / (loss) for the period, net of tax</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit / (loss) for the period</b>	<b>893</b>	<b>(270)</b>
<b>Total comprehensive profit / (loss) for the period is attributable to owners of MYOB Finance Australia Limited</b>	<b>893</b>	<b>(270)</b>

The above statement of comprehensive income should be read in conjunction with accompanying notes.

# Balance sheet

AS AT 30 JUNE 2014

	2014 June \$'000	2013 December \$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	15	19
<b>Total current assets</b>	<u>15</u>	<u>19</u>
<b>Non-current Assets</b>		
Deferred tax asset	607	693
Related party receivable	180,620	171,458
<b>Total non-current assets</b>	<u>181,227</u>	<u>172,151</u>
<b>TOTAL ASSETS</b>	<u><b>181,242</b></u>	<u><b>172,170</b></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	433	470
<b>Total current liabilities</b>	<u>433</u>	<u>470</u>
<b>Non-current Liabilities</b>		
Interest-bearing loans and borrowings	151,658	151,180
Related party payable	30,886	23,148
<b>Total non-current liabilities</b>	<u>182,544</u>	<u>174,328</u>
<b>TOTAL LIABILITIES</b>	<u>182,977</u>	<u>174,798</u>
<b>NET ASSETS</b>	<u><b>(1,735)</b></u>	<u><b>(2,628)</b></u>
<b>EQUITY</b>		
Contributed equity	-	-
Retained earnings	(1,735)	(2,628)
<b>TOTAL EQUITY</b>	<u><b>(1,735)</b></u>	<u><b>(2,628)</b></u>

The above balance sheet should be read in conjunction with accompanying notes.

# Statement of changes in equity

FOR THE HALF-YEAR ENDED 30 JUNE 2014

	Issued capital \$'000	Retained earnings \$'000	Total equity \$'000
<b>At 1 January 2014</b>	-	(2,628)	(2,628)
Profit for the period	-	893	893
Other comprehensive income / (loss) (net of tax)	-	-	-
<b>Total comprehensive income for the period</b>	-	<b>893</b>	<b>893</b>
<b>Transactions with owners in their capacity as owners:</b>			
Management share scheme	-	-	-
Conversion of debt to equity	-	-	-
Shares bought-back	-	-	-
<b>At 30 June 2014</b>	-	<b>(1,735)</b>	<b>(1,735)</b>

	Issued capital \$'000	Retained earnings \$'000	Total equity \$'000
<b>At 1 January 2013</b>	-	(2,028)	(2,028)
(Loss) for the period	-	(270)	(270)
Other comprehensive income / (loss) (net of tax)	-	-	-
<b>Total comprehensive (loss) for the period</b>	-	<b>(270)</b>	<b>(270)</b>
<b>Transactions with owners in their capacity as owners:</b>			
Management share scheme	-	-	-
Conversion of debt to equity	-	-	-
Shares bought-back	-	-	-
<b>At 30 June 2013</b>	-	<b>(2,298)</b>	<b>(2,298)</b>

# Statement of cash flows

FOR THE HALF-YEAR ENDED 30 JUNE 2014

	2014 \$'000	2013 \$'000
<b>Cash flows from operating activities</b>		
Interest received	-	7
Specific items - retail note listing costs	(4)	(236)
<b>Net cash flows from operating activities</b>	(4)	(229)
Net increase in cash and cash equivalents	(4)	(229)
Cash and cash equivalents at beginning of period	19	253
<b>Cash and cash equivalents at end of period</b>	15	24

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2014

## 1 CORPORATE INFORMATION

The financial statements and notes represent MYOB Finance Australia Limited. The financial statements were authorised for issue on 21 August 2014 by the directors of the company.

The directors have the power to amend and reissue the financial statements.

The nature of the operations and principal activities of the entity are described in the Directors' Report.

Registered Office: Level 3, 235 Springvale Road, Glen Waverley, Victoria 3150.

The amounts represented in the financial statements have been rounded to the nearest thousand dollars.

## 2 PREPARATION OF INTERIM FINANCIAL REPORT

This condensed interim financial report for the half-year ended 30 June 2014 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

- This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the any public announcements made by MYOB Finance Australia Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. The accounting policies adopted are consistent with those of MYOB Holdings Pty Limited, MYOB Finance Australia Limited's immediate parent, as published at 31 December 2013.
- These financial statements have been prepared on an accrual basis and are based on historical costs. Notwithstanding the deficiency in net assets in the Company, the directors have determined the entity can continue as a going concern as the future cash flows will be sufficient to cover the shortfall, along with active management of costs and use of facilities over the next 12 months.

The entity is a for-profit entity for the purpose of preparing the financial statements.

## 3 COMPARATIVE INFORMATION

The Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows provide comparative information for the half-year ended 30 June 2013. The Balance Sheet provides comparative information as at 31 December 2013.

Where necessary, the comparatives have been reclassified to be consistent with the current year disclosures.

# Notes to the Financial Statements (continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2014

## 4 INCOME TAX EXPENSE

	2014 \$'000	2013 \$'000
<b>Numerical reconciliation of income tax expense to prima facie tax payable</b>		
Profit / (loss) from operations before income tax	1,275	(471)
Tax at the Australian tax rate of 30% (2013 - 30%)	382	(141)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income: Consultants fees relating to Retail Notes (not deductible)	-	(60)
Income tax expense / (benefit)	<u>382</u>	<u>(201)</u>

## 5 RELATED PARTY TRANSACTIONS

Interest incurred on retail notes totalling \$7.18 million was funded by MYOB Australia Pty Ltd. Interest income of \$8.93 million was earned on a related party receivable with MYOB Acquisition Pty Ltd.

All transactions were entered into under terms and conditions no more favourable than those the group would have adopted if dealing at arm's length.

## 6 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events noted after Balance Sheet date.



## **Independent auditor's review report to the members of MYOB Finance Australia Limited**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of MYOB Finance Australia Limited (the Company), which comprises the balance sheet as at 30 June 2014, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

### ***Directors' responsibility for the half-year financial report***

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

### ***Auditor's responsibility***

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as at 30 June 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of MYOB Finance Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

### ***Independence***

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

---

**PricewaterhouseCoopers, ABN 52 780 433 757**

Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001  
T: 61 3 8603 1000, F: 61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.





### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of MYOB Finance Australia Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2014 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A large, stylized blue ink signature that reads 'PricewaterhouseCoopers' in a cursive script.

PricewaterhouseCoopers

A blue ink signature of Chris Dodd, written in a cursive style.

Chris Dodd  
Partner

Melbourne  
21 August 2014