

**MainstreamBPO Pty Ltd and its  
Controlled Entities**

**ABN 48 112 252 114**

Financial Statements  
For the half-year ended 31 December 2014

# MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

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## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Directors' report 31 December 2014

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of MainstreamBPO Pty Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the half-year ended 31 December 2014.

#### Directors

The names of the Directors holding office during the half-year and until the date of this report are set out below, together with details of the Directors' experience, qualifications, special responsibilities and organisations in which each of the Directors have declared an interest.

<b>Name of Directors</b>	<b>Qualifications, experience and special responsibilities</b>
Byram Johnston Chief Executive Officer MainstreamBPO	<p>Byram is a founder and director of MainstreamBPO. Prior to establishing MainstreamBPO, Byram was the managing partner for international consulting firms and outsourcing organisations including Arthur Andersen, Andersen Consulting, AT Kearney, PA Consulting, The IQ Business Group and FinancialBPO. He has a wealth of experience in business strategy, operating models and business process solutions. This has allowed him in more recent times to focus on the design, implementation and management of business process outsource solutions.</p> <p>Byram holds key positions with various bodies including Chairman of an ASX listed company. He is a Chairman of the Audit Committee of ASIC. He holds a Bachelor of Economics and is CA qualified. He was President of the Institute of Chartered Accountants in 1995-96. Byram was awarded an Order of Australia Medal in 2005.</p>
Martin Smith, Chief Executive Officer FundBPO	<p>Martin is a founder and director of MainstreamBPO. Prior to MainstreamBPO Martin worked for FinancialBPO, The IQ Business Group and Andersen Business Consulting designing, implementing and managing outsourcing/shared services arrangements across a range of industries including Financial Services, Government, Health, Real Estate, Logistics and Information Technology. He brings to MainstreamBPO extensive process, technology and people experience. Martin gained his skills with Coles Myer as the Financial Controller of Liquorland from 1993 to 1999. Martin holds a Bachelor of Business, Masters of Commerce and is a CPA.</p>

Directors have been in office for this entire period unless otherwise stated.

#### Principal activities

MainstreamBPO is a specialist fund administrator for the financial services industry. Clients are typically fund managers, superannuation trustees, listed companies, family officers and dealer groups. MainstreamBPO has outsourcing experience across a range of services and sectors, with specialist teams in investment administration (fund services), middle office, fund accounting, superannuation administration, share registry and unit registry services.

No significant change in the nature of these activities has taken place during the period.

#### Dividends

No dividends were declared and paid during the half year ended 31 December 2014 (2013: \$125,000)

#### Review of operations

The profit for the consolidated entity after providing for income tax amounted to \$127,238 (2013: \$305,894).

- FundBPO funds under administration increased with existing clients receiving significant inflows;
- FundBPO (HK) Ltd commenced operations in July 2014.
- SuperBPO continued to perform at the level set by the directors and financial results exceeded budget for the half year; and
- MainstreamITO Pty Ltd continued to provide IT infrastructure support to external clients and to the MainstreamBPO owned businesses.

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

**Directors' report**  
**31 December 2014**

### **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the consolidated entity during the half-year.

### **Matters subsequent to the end of the period**

On 23 January 2015, the company entered into a Deed of Assignment with an Australian based fund administrator. The transaction was completed on a deferred consideration basis with a total of \$2.5 million payable on various dates between 23 January 2015 and 30 June 2018.

On 4 March 2015, the company entered into a loan arrangement with an existing shareholder whereby additional funds were made available. The first tranche of \$250,000 was drawn down by the company on 10 April 2015.

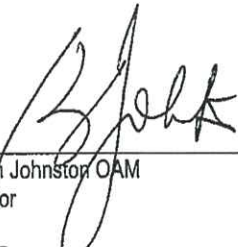
On 15 April 2015, the company announced its intention to seek an initial public offering of the consolidated entity, expected in June 2015.

Other than the above, no other matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### **Auditor's independence declaration**

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

Signed in accordance with a resolution of the Directors



Byron Johnston OAM  
Director

Date: 30 April 2015  
Sydney



Ernst & Young  
680 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

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## Auditor's Independence Declaration to the Directors of MainstreamBPO Pty Ltd

In relation to our review of the financial report of MainstreamBPO Pty Ltd for the half-year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A stylized, handwritten signature of 'Ernst &amp; Young' in black ink.

Ernst & Young

A handwritten signature of 'Rita Da Silva' in black ink.

Rita Da Silva  
Partner  
30 April 2015

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Consolidated statement of profit or loss and other comprehensive income For the half-year ended 31 December 2014

	Note	2014 \$	2013 \$
<b>Revenue</b>			
Fee income		6,609,724	5,858,788
Other operating income		417,975	290,038
Interest income		41,614	42,050
<b>Total income</b>		<b>7,069,313</b>	<b>6,190,876</b>
<b>Expenses</b>			
Accounting and audit fees		96,378	68,570
Amortisation and depreciation expense		110,441	71,750
Bank fees and charges		50,214	31,102
Consultant fees		168,388	176,382
Employee benefits expense		4,008,965	3,236,401
Insurance		72,944	66,270
Interest expense		46,129	61,808
IT expenses		953,605	754,435
Legal fees		11,386	5,315
Management expense		587,859	550,000
Occupancy and general expenses		677,817	556,617
Other expenses		171,738	175,235
<b>Total expenses</b>		<b>6,955,864</b>	<b>5,753,885</b>
<b>Profit (loss) before income tax expense</b>		<b>113,449</b>	<b>436,991</b>
Income tax expense/(benefit)	3	(13,789)	131,097
<b>Profit (loss) after income tax expense for the year</b>		<b>127,238</b>	<b>305,894</b>
<b>Other comprehensive income</b>			
Foreign currency translation		(56,229)	-
Other comprehensive income for the year, net of tax		<b>(56,229)</b>	-
<b>Total comprehensive income for the year attributable to the owners of MainstreamBPO Pty Ltd</b>		<b>71,009</b>	<b>305,894</b>

*The above consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.*

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Consolidated statement of financial position As at 31 December 2014

	Note	31 December 2014 \$	30 June 2014 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	865,887	921,645
Trade and other receivables		1,482,987	1,321,034
Other	5	296,393	94,747
<b>Total Current Assets</b>		<b>2,645,267</b>	<b>2,337,426</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	794,783	668,579
Intangible assets	7	4,233,197	4,049,785
Deferred tax		103,693	84,569
<b>Total Non-Current Assets</b>		<b>5,131,673</b>	<b>4,802,933</b>
<b>Total Assets</b>		<b>7,776,940</b>	<b>7,140,359</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Current tax		226,251	273,584
Trade creditors		1,140,032	444,233
Provisions		528,831	381,784
Other	8	1,021,169	983,448
<b>Total Current Liabilities</b>		<b>2,916,283</b>	<b>2,083,049</b>
<b>Non-Current Liabilities</b>			
Shareholder loans	9	694,573	812,235
Interest bearing liabilities	9	1,250,000	1,400,000
Other	10	500,000	500,000
<b>Total Non-Current Liabilities</b>		<b>2,444,573</b>	<b>2,712,235</b>
<b>Total Liabilities</b>		<b>5,360,856</b>	<b>4,795,284</b>
<b>Net Assets</b>		<b>2,416,084</b>	<b>2,345,075</b>
<b>Equity</b>			
Contributed equity	11	1,745,760	1,745,760
Reserves	12	365,380	421,609
Retained profits		304,944	177,706
<b>Total Equity</b>		<b>2,416,084</b>	<b>2,345,075</b>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Consolidated statement of changes in equity For the half-year ended 31 December 2014

	Reserves			Retained Profits	Total Equity
	Issued Capital	Asset Revaluation Reserve	Foreign Currency Translation Reserve		
	\$	\$	\$		
<b>Balance at 1 July 2013</b>	<b>1,745,760</b>	<b>416,703</b>	-	<b>(16,118)</b>	<b>2,146,345</b>
Profit after income tax expense for the year	-	-	-	305,894	305,894
Other comprehensive income for the year, net of tax	-	-	-	-	-
<b>Total comprehensive income for the year, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305,894</b>	<b>305,894</b>
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	-	-	-	-	-
Dividends paid	-	-	-	(125,000)	(125,000)
<b>Balance at 31 December 2013</b>	<b>1,745,760</b>	<b>416,703</b>	-	<b>164,776</b>	<b>2,327,239</b>

	Reserves			Retained Profits	Total Equity
	Issued Capital	Asset Revaluation Reserve	Foreign Currency Translation Reserve		
	\$	\$	\$		
<b>Balance at 1 July 2014</b>	<b>1,745,760</b>	<b>416,703</b>	<b>4,906</b>	<b>177,706</b>	<b>2,345,075</b>
Profit after income tax expense for the year	-	-	-	127,238	127,238
Other comprehensive income for the year, net of tax	-	-	(56,229)	-	(56,229)
<b>Total comprehensive income for the year, net of tax</b>	<b>-</b>	<b>-</b>	<b>(56,229)</b>	<b>127,238</b>	<b>71,009</b>
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	-	-	-	-	-
Dividends paid	-	-	-	-	-
<b>Balance at 31 December 2014</b>	<b>1,745,760</b>	<b>416,703</b>	<b>(51,323)</b>	<b>304,944</b>	<b>2,416,084</b>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*



## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Consolidated statement of cash flows For the half-year ended 31 December 2014

	Note	2014 \$	2013 \$
<b>Cash flows from operating activities</b>			
Fee income received		6,907,360	6,082,136
Operating expenses paid		(6,262,848)	(6,000,400)
<b>Net cash inflow from operating activities</b>		<b>644,512</b>	<b>81,736</b>
<b>Cash flows from investing activities</b>			
Purchase of capitalised software and equipment		(232,608)	(59,142)
Acquisition of controlled entities		(200,000)	(120,000)
<b>Net cash outflow from investing activities</b>		<b>(432,608)</b>	<b>(179,142)</b>
<b>Cash flows from financing activities</b>			
(Repayment of)/advance on shareholder loans		(117,662)	15,614
Repayment of interest bearing liabilities		(150,000)	(300,000)
<b>Net cash outflow from financing activities</b>		<b>(267,662)</b>	<b>(284,386)</b>
Net change in cash balance during the period		(55,758)	(381,792)
Cash at the beginning of the period		921,645	708,067
<b>Cash at the end of the period</b>	4	<b>865,887</b>	<b>326,275</b>

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

## **MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES**

### **Notes to the financial statements 31 December 2014**

#### **Note 1. Corporate information**

The half-year consolidated financial statements of MainstreamBPO Pty Ltd and its controlled entities (collectively, the consolidated entity) for the half-year ended 31 December 2014 were authorised for issue in accordance with a resolution of the directors on 30 April 2015.

MainstreamBPO Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The consolidated entity's principal activities are included in the directors' report.

#### **Note 2. Accounting policies**

##### **Basis of preparation**

The half-year consolidated financial statements for the half-year ended 31 December 2014 have been prepared in accordance with AASB 134 *Interim Financial Reporting*.

The half-year consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated entity's annual financial statements as at 30 June 2014.

The accounting policies adopted in the preparation of the half-year consolidated financial statements are consistent with those followed in the preparation of the consolidated entity's annual consolidated financial statements for the year ended 30 June 2014.

The consolidated entity recorded net current liabilities of \$271,016 as at 31 December 2014. The half-year financial report has been prepared on the basis that the company can continue to meet its obligations as and when they fall due and can therefore continue normal activities, including the settlement of liabilities and the realisation of assets in the ordinary course of business.

##### **New, revised or amending Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact on the financial position or performance of the consolidated entity.

The consolidated entity has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### **Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all controlled entities (subsidiaries) of MainstreamBPO Pty Ltd ('company' or 'parent entity') as at 31 December 2014 and the results of all subsidiaries for the half-year then ended. MainstreamBPO Pty Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control, which is when the consolidated entity is exposed, 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. When the consolidated entity has less than a majority of the voting or similar rights of an entity, the consolidated entity also considers the following when assessing whether it has the power of control over the entity: contractual arrangements with the other voting holders of the entity, rights arising from other contractual arrangements and the consolidated entity's voting rights and potential voting rights.

Subsidiaries are fully consolidated from the date on which control commenced and de-consolidated from the date that control ceased.

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Notes to the financial statements 31 December 2014

#### Principles of consolidation (continued)

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

#### Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include, but are not limited to, impairment of receivables, estimation of useful lives of assets, goodwill and other intangible assets, income tax, recovery of deferred tax assets and long service leave provision.

	<b>Consolidated 31 December 2014</b>	
	<b>\$</b>	
<b>Note 3. Income tax expense</b>		
<i>Income tax expense</i>		
Current tax	(20,907)	
Current tax adjustment – prior period	7,118	8)
Income tax expense/(benefit)	<b>(13,789)</b>	<b>)</b>
Profit before income tax expense	113,449	
Tax at the statutory rate of 30%	34,035	
Add:		
Tax effect of:		
Tax rate differential in other jurisdictions	(53,432)	
Non-deductible items	1,484	
Adjustments to prior periods	4,124	
Income tax expense	<b>(13,789)</b>	
<i>Deferred Tax Asset</i>		
Opening balance	84,569	
Prior year (overstatement)/understatement	(70,725)	
DTA recognised on current year tax losses	51,426	
Current year movement	38,423	
Closing balance	<b>103,693</b>	

Comparative balances have not been disclosed as the consolidated entity was not required to prepare income tax results for the half-year ended 31 December 2013.

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Notes to the financial statements 31 December 2014

	Consolidated	
	31 December 2014	30 June 2014
	\$	\$
<b>Note 4. Current assets - cash and cash equivalents</b>		
Cash at bank	31,969	103,898
Deposit bonds	833,918	817,747
	<b>865,887</b>	<b>921,645</b>
<b>Note 5. Current assets - Other</b>		
Prepayments	60,992	94,747
Deposits	200,000	-
Sundry	35,401	-
	<b>296,393</b>	<b>94,747</b>
<b>Note 6. Non-current assets - Property, plant and equipment</b>		
	<b>794,783</b>	<b>668,579</b>
a) Plant and equipment - at cost	-	20,280
Less: Accumulated depreciation	-	(18,286)
	--	<b>1,994</b>
b) Office Equipment – at cost	298,094	293,581
Less: Accumulated depreciation	(281,075)	(271,569)
	<b>17,019</b>	<b>22,012</b>
c) Computer Equipment – at cost	349,899	300,298
Less: Accumulated depreciation	(249,618)	(223,929)
	<b>100,281</b>	<b>76,369</b>
d) Capitalised software – at cost	1,343,250	1,160,500
Less: Accumulated amortisation	(665,767)	(592,296)
	<b>677,483</b>	<b>568,204</b>
<b>Note 7. Non-current assets – intangibles</b>		
Business combinations – goodwill	2,589,072	2,589,072
Other intangible assets	1,644,125	1,460,713
	<b>4,233,197</b>	<b>4,049,785</b>

The goodwill is derived from the acquisition of SuperBPO Pty Ltd (previously known as Group Benefits Pty Ltd) and other intangible assets are derived from the purchase of customer relationships and contracts from SuperBPO Pty Ltd, Perpetual Limited and HFO Limited. FundBPO (HK) Ltd was established in July 2014 following the acquisition of customer relationships and contracts from HFO Limited.

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Notes to the financial statements 31 December 2014

	Consolidated	
	31 December 2014	30 June 2014
	\$	\$
<b>Note 8. Current liabilities – other</b>		
GST liability	255,218	167,829
Accrued expenses	483,316	568,020
PAYG Withholding Payable	277,680	127,502
Other	4,955	120,097
	<b>1,021,169</b>	<b>983,448</b>

### Note 9. Non-current liabilities – interest bearing

Shareholder loans – related party	694,573	812,235
Interest bearing liabilities – related party	1,250,000	1,400,000
	<b>1,944,573</b>	<b>2,212,235</b>

The interest bearing liabilities of \$1.25m are secured by way of a fixed floating charge over the assets of MainstreamBPO Pty Ltd. Interest is payable monthly in arrears on the above interest bearing liabilities on an arm's length basis.

### Note 10. Non-current liabilities - other

Other – related party	<b>500,000</b>	<b>500,000</b>
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The purpose of the loan was the provision of a Settlement Bond issued by the Commonwealth Bank of Australia to ASX Settlement Pty Ltd. This loan is also interest bearing and interest is payable monthly in arrears on an arm's length basis.

### Note 11. Equity - issued capital

Ordinary shares – 1,000 fully paid (30 June 2014: 1,000)	<b>1,745,760</b>	<b>1,745,760</b>
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#### *Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

### Note 12. Equity - reserves

Asset revaluation reserve	416,703	416,703
Foreign currency translation reserve	(51,323)	4,906
	<b>365,380</b>	<b>421,609</b>

#### *Asset revaluation reserve*

The reserve is used to recognise increments and decrements in the fair value of software.

#### *Foreign currency translation reserve*

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars.

## MAINSTREAMBPO PTY LTD AND ITS CONTROLLED ENTITIES

### Notes to the financial statements 31 December 2014

#### Note 13. Related party transactions

##### *Subsidiaries*

Interests in subsidiaries are set out in note 14.

##### *Transactions with related parties*

Loans with related parties are set out in note 9 and 10.

##### *Terms and conditions*

All transactions were made on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

#### Note 14. Subsidiaries

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

Name of entity	Country of incorporation	Equity holding	
		2014 %	2013 %
FundBPO Pty Ltd	Australia	100.00	100.00
SuperBPO Pty Ltd	Australia	100.00	100.00
ShareBPO Pty Ltd	Australia	100.00	100.00
PropertyBPO Pty Ltd	Australia	100.00	100.00
MainstreamITO Pty Ltd	Australia	100.00	100.00
MortgageBPO Pty Ltd	Australia	100.00	100.00
LegacyBPO Pty Ltd	Australia	100.00	100.00
AdminBPO Pty Ltd	Australia	100.00	100.00
FundBPO Pte Ltd	Singapore	100.00	100.00
FundBPO (HK) Ltd	Hong Kong	100.00	-

#### Note 15. Events after the reporting period

On 23 January 2015, the Company entered into a Deed of Assignment with an Australian based fund administrator. The transaction was completed on a deferred consideration basis with a total of \$2.5 million payable on various dates between 23 January 2015 and 30 June 2018.

On 4 March 2015, the Company entered into a loan arrangement with an existing shareholder whereby additional funds were made available. The first tranche of \$250,000 was drawn down by the Company on 10 April 2015.

On 15 April 2015, the Company announced its intention to seek an initial public offering of the consolidated entity, expected in June 2015.

**END OF FINANCIAL STATEMENTS**

## MAINSTREAMBPO PTY LTD AND CONSOLIDATED ENTITIES

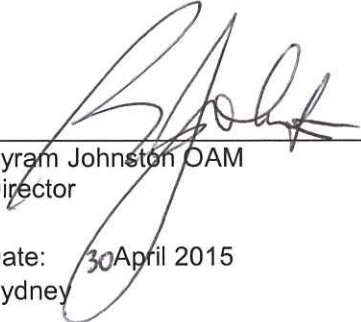
### Directors' declaration

In accordance with a resolution of the directors of MainstreamBPO Pty Ltd, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of MainstreamBPO Pty Ltd for the half-year ended 31 December 2014 are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
  - (ii) complying with accounting standards and the *Corporations Regulations 2001*
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Byram Johnston OAM  
Director

Date: 30 April 2015  
Sydney

To the members of MainstreamBPO Pty Ltd

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of MainstreamBPO Pty Ltd, which comprises the consolidated statement of financial position as at 31 December 2014, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration, of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

## 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 and the *Corporations Act 2001* and for such internal controls as the directors determine are 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 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 consolidated entity's financial position as at 31 December 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 MainstreamBPO Pty Ltd and the entities it controlled during the half-year, 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*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.




## Basis for Qualified Conclusion

As this is the first year that MainstreamBPO Pty Ltd has prepared a half-year financial report and have it reviewed, the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, and other selected explanatory notes for the preceding corresponding half-year period have not been reviewed or audited. Accordingly, we are not in a position to and do not express any assurance in respect of the comparative information for the half-year ended 31 December 2013.

## Qualified Conclusion

Except for the effect, if any, on the comparatives for the preceding corresponding half-year period that may result from the qualification in the preceding paragraph, 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 MainstreamBPO Pty Ltd is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Ernst & Young



Rita Da Silva  
Partner  
Sydney

30 April 2015