

# **DirectMoney Limited (formerly Basper Limited)**

ABN: 80 004 661 205

## **Annual Report**

**For the Year Ended 30 June 2015**

# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

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# DirectMoney Limited (formerly Basper Limited)

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## Corporate Directory

### **DIRECTORS**

Stephen Porges (Executive Chairman)  
Campbell McComb  
Craig Swanger

### **COMPANY SECRETARY**

Leanne Ralph  
May Ho

### **REGISTERED OFFICE**

Suite 31, Level 8,  
58 Pitt Street,  
Sydney, New South Wales,  
Australia

Telephone: (02) 9252 2888  
Facsimile: (02) 8076 3341

### **SHARE REGISTER**

Computershare Investor Services Pty Limited  
452 Johnston Street  
Abbotsford, Victoria

Telephone: (03) 9415 5000

### **AUDITOR**

BDO East Coast Partnership  
Level 11, 1 Margaret Street  
Sydney, New South Wales

### **SOLICITOR**

Clarendon Lawyers  
Level 19, 333 Collins Street  
Melbourne, Victoria

### **BANKERS**

Commonwealth Bank of Australia

### **STOCK EXCHANGE LISTING**

Shares are listed on the Australian Stock Exchange

### **DOMICILE**

Publicly listed company incorporated in Australia

# DirectMoney Limited (formerly Basper Limited)

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## Statistical Summary

	2014 / 15 \$000	2013 / 14 \$000	2012 / 13 \$000	2011 / 12 \$000	2010 / 11 \$000
<b>STATEMENT OF FINANCIAL POSITION</b>					
Share Capital	3,600	3,600	8,700	8,700	8,700
Share Capital and Reserves	(730)	326	6,081	9,529	11,878
Non-Current Liabilities	-	-	-	39	53
Current Liabilities	857	5,220	691	1,872	2,374
Total Liabilities	857	5,220	691	1,911	2,427
Non-Current Assets	-	-	-	5,668	6,443
Current Assets	127	5,546	6,772	5,772	7,862
Total Assets	127	5,546	6,772	11,440	14,305

## STATEMENT OF COMPREHENSIVE INCOME

Revenue from discontinued operations	6	686	5,076	9,267	9,348
Operating (Loss) / Profit Before Income Tax from discontinued operations	(906)	(155)	(2,943)	(2,151)	(2,405)
Income Tax Expense / (Benefit) discontinued operations	-	-	-	-	(177)
Operating (Loss) / Profit After Income Tax	(906)	(155)	(2,943)	(2,151)	(2,228)

## STATEMENT OF CASH FLOWS

Cash Flows From Operating Activities	(252)	339	(946)	123	(920)
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## FINANCIAL STATISTICS

Earnings per Ordinary Share (Basic)	(9.06) cents	(1.55) cents	(29.50) cents	(21.50) cents	(22.30) cents
Dividends paid per Ordinary Share	1.50 cents	0.00 cents	5.00 cents	2.00 cents	2.00 cents
Return on Total Shareholders' Equity	0.0 %	(47.4)%	(48.4)%	(22.6)%	(18.8)%
Dividend Times Covered	0.00	0.00	0.00	0.00	0.00
Dividend Payout Ratio	0.0%	0.0%	0.0%	0.0%	0.0%
Net Tangible Assets per Ordinary Share	(7.30) cents	3.26 cents	60.81 cents	95.30 cents	118.80 cents
Current Ratio	0.15	1.06	9.80	3.10	3.30
Total Shareholders' Equity to Total Assets	(574.5)%	5.9%	89.8%	83.0%	83.0%
Total Shareholders' Equity to Total Liabilities	(85.2)%	6.2%	880.2%	498.0%	489.0%
Number of Employees (as at 30 June)	nil	nil	29	32	65

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of DirectMoney Limited (formerly Basper Limited) (referred to hereafter as the Company) and the entities it controlled at the end of, or during, the year ended 30 June 2015.

### Directors

The following persons were directors of DirectMoney Limited (formerly Basper Limited) during the whole of the financial year and up to the date of this report; unless otherwise stated:

Name	Position	
Stephen Porges	Executive Chairman	- Appointed 3 July 2015
Campbell Gordon McComb	Executive Director	- Appointed 27 October 2014
Craig Swanger	Non-Executive Chairman	- Appointed 3 July 2015
Alan Ian Beckett	Non-Executive Chairman	- Resigned 27 October 2014
Winton William Willesee	Non-Executive Chairman	- Appointed 27 October 2014 - Resigned 3 July 2015
Grantly Martin Anderson	Deputy Chairman	- Resigned 27 October 2014
Andrew Gordon McKay	Non-Executive Director	- Appointed 27 October 2014 - Resigned 3 July 2015
Robert Norman Parton	Non-Executive Director	- Appointed 27 October 2014 - Resigned 3 July 2015
Sean Ingram Balding	Managing Director and Company Secretary	- Appointed 7 November 2014 - Resigned 27 October 2014

### Principal activities and review of operations

Prior to the commencement of the period the Company divested its main undertaking and the Board commenced the process of liquidating the Company.

During the reporting period shareholders rejected resolutions to liquidate the Company and a new Board was installed.

On 19 June 2015, shareholders approved resolutions to:

1. Acquire 100% of the issued capital of DirectMoney Finance Pty Ltd (formerly DirectMoney Pty Ltd) (referred to hereafter as DMF) for an amount of shares of the Company as part of a reverse acquisition by DMF; and
2. Change its principal activities to the Marketplace Lending industry, acting as an intermediary company between borrowers and investors in relation to unsecured personal loans.

The transaction was completed on 3 July 2015.

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Information on directors

The names and details of the Company's directors in office during the financial year and until the date of this report are presented below.

#### Stephen Porges - Executive Chairman (from 3 July 2015)

- |                                      |  |
|--------------------------------------|--|
| Qualifications                       | - BSC Agr. , MBA, FAICD  |
| Experience                           | - Prior to joining the DirectMoney Group, Mr Porges was Chief Executive Officer of SAI Global. Prior to that, he was CEO of Aussie Home Loans from 2008 to 2013 where they were awarded Mortgage Broker of the Year for each year of his tenure.<br>From 2007 until he joined Aussie, Stephen was CEO of Newcastle Permanent Building Society, Australia's largest Building Society. During his tenure, the Society was recognised with two Building Society of the Year awards by Money Magazine.<br>From 2004 till 2007, he was CEO of ASX listed biotechnology company Proteome Systems (PXL).<br>From 2002 to 2007 Stephen was Chairman and then Executive Chairman of BMC Media Ltd.<br>In 2002, Stephen was a founding partner in Cabonne Partners which specialised in advising on re-capitalisations and strategic turnarounds of public companies. Having spent the previous 20 years in international banking, stockbroking and investment banking, Stephen has experience in most significant global capital markets. |
| Interest in shares and options       | - Ordinary shares held: 3,557,400 from 6 July 2015 received in his capacity as shareholder of DirectMoney Finance Pty Ltd as part of the reverse acquisition.  |
| Special responsibilities             | - Executive Chairman   |
| Former directorships in last 3 years | SAI Global, Wesley College, Aussie Home Loans  |
| Other current directorships          | - Katasi, Cabonne Partners   |

#### Campbell Gordon McComb - Non-Executive Director (from 27 October 2014) - Executive Director (from 3 July 2015)

- |                                      |  |
|--------------------------------------|--|
| Qualifications                       | - BEcon, FFin, GAICD   |
| Experience                           | - Mr McComb has worked in the funds management industry for over 17 years, both in Australia and the UK and is currently the Chief Investment Officer for a Sydney based family office.<br><br>From 2002, Mr McComb was involved (and later the CEO and major shareholder of) an Australian equities fund manager focused on private client portfolios.<br><br>After 10 years in this role, he moved on to become the Managing Director of Easton Investments, an ASXC listed financial services business which he helped build from a shell company to one with over \$500m in funds under advice and management. |
| Interest in shares and options       | - Ordinary shares held: 5,108,251 from 6 July 2015 received in his capacity as shareholder of DirectMoney Finance Pty Ltd as part of the reverse acquisition.  |
| Special responsibilities             | - Non-Executive Director   |
| Former directorships in last 3 years | - Easton Investments   |
| Other current directorships          | - Mr McComb currently holds a number of funds management board positions in Australia, along with being a Director of a Singapore based financial advisory group.  |

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Information on directors

#### Craig Swanger - Non-Executive Director (from 3 July 2015)

- |                |  |
|----------------|--|
| Qualifications | - BCom (Hons), Graduate Diploma in Financial Markets   |
| Experience     | - Mr Swanger has 20 years of experience in financial services. He was Executive Director of Macquarie Global Investments, responsible for managing around \$10bn in client funds across Asia, North America and Australia. |

Mr Swanger has direct experience in structuring and raising funds from retail investors, including through managed funds, structured products and listed vehicles in several jurisdictions. He has extensive board experience, including Macquarie Bank's major funds management entity, Macquarie Investment Management Limited and a total of 15 internal external boards since 2003.

Mr Swanger was Chairman of 5 of the largest debt listed investment companies in Australia and New Zealand issued over the past decade, and more recently worked with Australia's largest corporate bond and securitization distribution specialists, FIIG Securities.

- |                                      |   |
|--------------------------------------|---|
| Interest in shares and options       | - None  |
| Special responsibilities             | - Non-Executive Director  |
| Former directorships in last 3 years | Macquarie Agricultural Funds Management Pty Ltd, Paraway Pastoral Pty Ltd |
| Other current directorships          | - Venture Labour Pty Ltd, Engenius Media Pty Ltd, RevolutionID Pty Ltd    |

#### Alan Ian Beckett - Non-Executive Chairman (until 27 October 2014)

- |                                |  |
|--------------------------------|--|
| Qualifications                 | - BEcon FCA GAICD  |
| Experience                     | - Mr Beckett was appointed to the Board of Basper Limited as a non-executive director on 1 August 2010, and on 12 November 2010 was appointed Chairman of the Board. |
| Interest in shares and options | - Ordinary shares held: 16,661   |
| Special responsibilities       | - Prior to date of resignation - Chairman of the Board and of the Remuneration and Nomination Committee  |
| Other current directorships    | - Mr Beckett serves as a director and chairman of audit, risk and compliance committees for a number of companies, government and not for profit organisations.      |

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Information on directors (cont.)

#### Winton William Willesee - Non-Executive Chairman (from 27 October 2014 until 3 July 2015)

- |                                      |   |  |
|--------------------------------------|---|--|
| Qualifications                       | - | BBus., DipEd., PGDipBus., MCom., FFin, CPA, MAICD, ACIS/ACSA   |
| Experience                           | - | Mr Willesee is an experienced company director. Winton brings a broad range of skills and experience in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance.   |
|                                      |   | Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects. Winton has fulfilled the role of chairman and/or director of a number of listed companies. |
|                                      |   | Mr Willesee holds formal qualifications in economics, finance, accounting, education and governance. He is a Fellow of the Financial Services Institute of Australasia, a Member of the Australian Institute of Company Directors, a Member of CPA Australia and a Chartered Secretary.                                    |
| Interest in shares and options       | - | Mr Willesee is a director and shareholder of an entity that holds 1,137,288 ordinary shares in the Company.  |
| Special responsibilities             | - | Non-Executive Chairman.  |
| Former directorships in last 3 years | - | Bioprospect Limited, Base Resources Limited, Otis Energy Limited, Torrens Energy Limited and Newera Resources Limited (resigned 31 July 2014).   |
| Other current directorships          | - | Chairman of Birimian Gold Limited, Coretrack Limited, Cove Resources Limited and Metallum Limited. Director of Phytotech Medical Limited.  |

#### Grantly Martin Anderson - Non-Executive Director (until 27 October 2014)

- |                                |   |   |
|--------------------------------|---|---|
| Qualifications                 | - | FAICD   |
| Experience                     | - | Mr Anderson was appointed to the Board of Basper Limited as a non-executive director on 1 August 2010. He is a Fellow of the Australian Institute of Company Directors with over 25 years' experience as a director of both public and private companies. |
| Interest in shares and options | - | None  |
| Special responsibilities       | - | Prior to date of resignation - Deputy Chairman, Chairman of the Audit Committee and member of the Remuneration and Nominations Committee.   |
| Other current directorships    | - | Mr Anderson serves as a director of a number of other companies.  |



# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Information on directors (cont.)

#### Andrew Gordon McKay - Non-Executive Director (from 27 October 2014 until 3 July 2015)

Qualifications	- B.Comm, SAFin
Experience	<p>- After completing a commerce degree at the University of Melbourne, Mr McKay's experience in the financial markets began as a cash hand securities dealer for the Bank of New York in Sydney. After a few years, he moved to London and accepted a position as foreign Exchange dealer for Shearson Lehman Hutton subsidiary.</p> <p>Mr McKay progressed rapidly to the position of Senior Dealer, Futures and Options, with responsibility for implementing the hedging strategy of the treasury department, and trading futures, FX and options.</p> <p>Upon his return to Australia in 1990, he launched an asset management company to apply his extensive knowledge of markets, developed during his banking days to proprietary trading and the broader asset / fund management world. Mr McKay has been managing money for clients through Asia since 1996. He is also a founder of the business that is now known as Newport Private Wealth Pty Ltd.</p>
Interest in shares and options	- Ordinary shares held: 1,169,959 from 21 April 2015
Special responsibilities	- Non-Executive Director
Former directorships in last 3 years	- None
Other current directorships	- None

#### Robert Norman Parton - Non-Executive Director (from 27 October 2014 until 3 July 2015)

Qualifications	- B.Bus (Acc), CPA
Experience	<p>- Commencing his career in 1987, Mr Parton spent almost 20 years providing business analysis and management companies including BHP, Kraft Foods, Crane Group, Mitre 10 and PDL Electronics (part of the Schneider Electric Group).</p> <p>Since 2006, Mr Parton has been providing corporate advisory services utilising his extensive experience in business management, project evaluation and capital-raising across many sectors including real estate, cleantech, IT and manufacturing sectors. He has been involved in transaction management from sourcing, analysis and due diligence evaluation through to settlement and is a qualified accountant with over 20 year's membership with CPA Australia.</p>
Interest in shares and options	- Mr Parton is a director and shareholder of an entity that holds 1,137,287 ordinary shares in the Company.
Special responsibilities	- Non-Executive Director
Former directorships in last 3 years	- None
Other current directorships	- Mr Parton currently serves as a Director of Telesso Technologies Limited (TEO) and Motopia Limited (MOT).

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Information on directors (cont.)

#### Sean Ingram Balding - Managing Director (from 7 November 2013 until 27 October 2014)

- |                                      |  |
|--------------------------------------|--|
| Qualifications                       | - B.Comm University of Melbourne, Member of the Chartered Accountants of Australia and New Zealand |
| Experience                           | - Mr Balding is a former Partner and consultant with Ernst & Young.                                |
| Interest in shares and options       | - None   |
| Special responsibilities             | - Prior to date of resignation - Managing Director, Chief Financial Officer and Company Secretary  |
| Former directorships in last 3 years | - None   |
| Other current directorships          | - Mr Balding serves as a director of a number of other companies.                                  |

### Company Secretary

Sean Ingram Balding - Appointed 7 November 2013, resigned 27 October 2014

#### Erlyn Saromines Dale - from 27 October 2014 until 3 July 2015

- |                |  |
|----------------|--|
| Qualifications | - BCom   |
| Experience     | - Miss Dale has a broad range of experience in company administration and corporate governance having been involved with several listed and unlisted public and other companies. Miss Dale is currently the Company Secretary of Coretrack Limited, Cove Resources Limited, PhytoTech Medical Limited. Miss Dale holds a Bachelor of Commerce (Accounting and Finance) and is currently undertaking a Graduate Diploma in Applied Corporate Governance with the Governance Institute of Australia. |

#### Leanne Ralph - from 3 July 2015

- |                |  |
|----------------|--|
| Qualifications | - B.Bus, Graduate Diploma in Applied Corporate Governance  |
| Experience     | - Ms Ralph is the Founder and Director of Boardworx, a specialist company secretarial firm. Ms Ralph has more than 15 years' experience in company secretarial and governance matters. She holds a Bachelor of Business, a Graduate Diploma in Applied Corporate Governance and is a member of the Governance Institute of Australia's Corporate and Legal Issues Committee. |

#### May Ho - from 3 July 2015

- |                |  |
|----------------|--|
| Qualifications | - LLB, B.Bus   |
| Experience     | - Miss Ho holds a Bachelor of Laws and Bachelor of Business (Accounting Major) degree. She is currently Office Manager at DirectMoney Finance Pty Ltd and has been with DirectMoney Finance Pty Ltd since August 2010, responsible for accounting and administrative duties.<br>Miss Ho has also had over 3 years' experience practicing as a solicitor at GOH Lawyers, a private law firm in Sydney.<br>Miss Ho is currently undertaking a Graduate Diploma in Applied Corporate Governance with the Governance Institute of Australia. |

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Dividends

The former Directors resolved to pay a final 1.5 cent per share unfranked special dividend for the year ended 30 June 2014. Payment of this dividend was made during the year.

Group franking credits available for future distribution, subject to meeting the various ATO requirements on dividend franking, total \$1,543,000.

### Significant Changes in State of Affairs

Other than as discussed in the 'Review of Operations' no significant changes in the Group's state of affairs occurred during the financial year.

### Events since the end of the financial year

Subsequent to 30 June 2015:

- The Company raised \$11,297,000 via issue of shares to the public;
- On 3 July 2015 the Company completed its acquisition of 100% of the issued capital of DirectMoney Finance Pty Ltd;
- The Directors of the Company and the Company Secretary as at 30 June 2015 resigned effective 3 July 2015, with the exception of Mr Campbell McComb, and replaced with new Directors and Company Secretaries, details of which have been disclosed within the Directors report;
- On 13 July 2015 the Company was reinstated to trade on the ASX under the name "DirectMoney Limited" and the code "DM1";
- The Company has invested \$500,000 into its in-house retail fund called DirectMoney Personal Loan Fund. The DirectMoney Personal Loan Fund is a registered managed investment scheme where investors' money is pooled and invested into unsecured personal loans acquired from DirectMoney Finance Pty Ltd; and
- The Company has established a number of partnerships with loan introducers to complement its existing direct marketing activities.

### Likely Developments

Having successfully implemented the DirectMoney Finance Pty Ltd acquisition, the Company is now moving to roll out a series of marketing programs on both the lending and loan funding divisions. A number of channel partners in loan broking and financial advice have been identified and are in the process of engagement.

The Company is also strengthening its governance and management structure of the DirectMoney Finance business and is preparing for the listing of its in-house retail fund, DirectMoney Personal Loan Fund, on the ASX.

The Directors are not providing details of projected results for these programs given the early stage of the Company's development.

### Environmental matters

The Group's operations were subject to various environmental regulations under both Commonwealth and State legislation, which set the minimum requirements the Group was required to meet. The Group had a process in place during the year to monitor compliance with environmental regulations. The directors are not aware of any significant breaches during the period covered by this report. These environmental requirements ceased when the Group divested its main undertaking during the financial year.

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Indemnification and insurance of officers

During the financial year, DirectMoney Limited (formerly Basper Limited) incurred a premium of \$19,425 plus GST and stamp duty to insure the directors and officers of the Company. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

### Meetings of directors

The number of meetings of the Company's board of Directors and of each board committee held during the year ended 30 June 2015, and the number of meetings attended by each director were:

	Directors' Meetings		Audit Committee Meetings		Remuneration and Nomination Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Alan Ian Beckett	17	16	2	2	-***	-***
Grantly Martin Anderson	17	17	2	2	-***	-***
Sean Ingram Balding	13	17*	2**	2**	-	-
Winton William Willesee	4	4	-	-	-	-
Campbell Gordon McComb	4	4	-	-	-	-
Andrew Gordon McKay	4	4	-	-	-	-
Robert Norman Parton	4	4	-	-	-	-

\* 4 meetings were by invitation of the Board of Directors.

\*\* By invitation of the Audit Committee.

\*\*\* No remuneration / nomination committee meetings were held as the only executive employee of the Company was the Managing Director whose remuneration was fixed.

### Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

### Non-audit services

BDO East Coast Partnership were appointed Company auditor on 20 May 2015 and will continue in office in accordance with section 327 of the *Corporations Act 2001*. The Company may decide to engage the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The following fees were paid or payable to BDO East Coast Partnership for non-audit services provided during the year ended 30 June 2015:

	\$
Taxation services & due diligence investigations	36,425
Investigating accountant services	90,885
	<u>127,310</u>

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Non-audit services (cont.)

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 10 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

### Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2015 has been received and can be found within the financial report.

### Corporate Governance Statement

Our Corporate Governance Statement is available on our website at: [www.directmoney.com.au/About/Policies](http://www.directmoney.com.au/About/Policies).

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

### Remuneration Report (audited)

The Directors present DirectMoney Limited's 2015 remuneration report which sets out remuneration information for the Company's non-executive directors and other key management personnel.

The report contains the following sections:

- a) Key management personnel disclosed in this report
- b) Remuneration governance
- c) Service agreements
- d) Details of remuneration
- e) Equity instruments held by key management personnel

#### **a) Key management personnel disclosed in this report**

During the year ended 30 June 2015, the Non-Executive Directors of the Company were as follows:

- Alan Ian Beckett (until 27 October 2014)
- Winton William Willesee (from 27 October 2014 to 3 July 2014)
- Grantly Martin Anderson (until 27 October 2014)
- Sean Ingram Balding (from 7 November 2013 to 27 October 2014)
- Campbell Gordon McComb (from 27 October 2014 to 3 July 2015 where he became an Executive Director)
- Andrew Gordon McKay (from 27 October 2014 to 3 July 2015)
- Robert Norman Parton (from 27 October 2014 to 3 July 2015)

At the date of this report, the following are classified as key management personnel:

- Stephen Porges (Executive Chairman)
- Craig Swanger (Non-Executive Director)
- David Doust (Head of Strategy)
- Campbell Gordon McComb (Executive Director)
- Peter Beaumont (Chief Executive Officer from 31 August 2015)

Refer to the *Information on Directors* section within the Directors report for details about each director.

#### **b) Remuneration governance**

The remuneration governance was conducted by the remuneration committee, a committee of the Board. Following completion of the reverse acquisition, remuneration governance is now conducted by a management committee consisting of the CEO and the Head of Strategy. It is primarily responsible for making recommendations to the board on:

- the over-arching executive remuneration framework;
- operation of the incentive plans which apply to executive directors and senior executives (the executive team), including key performance indicators and performance hurdles;
- remuneration levels of executives; and
- non-executive director fees.

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms to market best practice for delivery of reward.

# DirectMoney Limited (formerly Basper Limited)

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## Directors' Report (cont.)

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### Remuneration Report (cont.)

The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation;
- transparency; and
- capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Aligning to shareholders' interests, the framework:

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth and delivering acceptable return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retains high calibre executives who receive a base salary (which is based on factors such as length of service and experience), superannuation, and performance incentives.

Aligning to program participants' interests, the framework:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth; and
- provides a clear structure for earning rewards.

The overall level of executive reward takes into account the performance of the Group over a number of years, with greater emphasis given to the current and prior year. In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

### Non-executive directors

The Board sets remuneration for non-executive directors annually in such a manner to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was adopted by a special resolution passed at the Annual General Meeting held on 24 November 2006 when shareholders approved an aggregate remuneration of up to a maximum of \$500,000 per year. The aggregate remuneration is reviewed annually. The remuneration for non-executive directors is comprised of cash, superannuation contributions and performance rights.

### Retirement allowances for non-executive directors

There is no scheme to provide retirement benefits, other than statutory superannuation, to non-executive directors.

## Directors' Report (cont.)

### Remuneration Report (cont.)

#### *b) Remuneration governance (cont.)*

##### **Managing director/CEO remuneration**

The Company entered into an employment contract with the Managing Director, Sean Balding, on 7 November 2013, which ended on 27 October 2014. From 27 October 2014 to 31 August 2015 there was no Managing Director/CEO position held. From 3 July 2015 to 31 August, the CEO role was filled by the Executive Chairman, Stephen Porges. On 31 August 2015, Peter Beaumont was appointed CEO.

The remuneration aspects of the contract for the Managing Director/CEO aims to reward the Managing Director/CEO with a level and mix of remuneration commensurate with the position and responsibilities within the Company and so as to:

- align the interests of the Managing Director/CEO with those of the shareholders; and
- ensure total remuneration is competitive by market standards.

The Board assesses the appropriateness of the nature and amount of remuneration of the Managing Director/CEO on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Managing Director/CEO.

##### **Fixed remuneration**

The level of fixed remuneration for the Managing Director/CEO is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. The Managing Director/CEO receives fixed remuneration by way of cash and company superannuation payments.

##### **Other employees' remuneration**

The Company aims to reward employees with a level of remuneration commensurate with their position and responsibilities within the Company and so as to ensure total remuneration was competitive by market standards. The Managing Director assessed the nature and amount of employees' remuneration on a periodic basis to ensure it was appropriate and realistic having regard to employees' responsibilities and relevant market conditions.

Following completion of the reverse acquisition, the management committee consisting of the CEO and a senior executive make assessments and recommendations to the board regarding employee remuneration.

##### **Retirement benefits**

No executives have entered into employment agreements that provide additional termination benefits.



# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## Directors' Report (cont.)

### Remuneration Report (cont.)

#### c) Service agreements

Remuneration and other terms of employment for the executives are formalised within service agreements. Details of the amounts paid to Mr Balding are set out in section (d) of the remuneration report.

The remuneration agreements of the current key management personnel are set out below:

	Position held as at date of report	Contract details (Duration and termination)	Gross Cash Salary \$	Percentage Performance Related %
Mr S Porges	Executive Chairman	3 year contract from 3 July 2015. No notice period.	100,000	0%
Mr C McComb	Executive Director	3 year contract from 3 July 2015. No notice period.	50,000	0%
Mr C Swanger	Non-Executive Director	3 year contract from 3 July 2015. No notice period.	50,000	0%
Mr P Beaumont	Chief Executive Officer	No fixed term. 12 weeks' termination notice. 4 weeks' resignation notice.	175,000	0%
Mr D Doust	Head of Strategy	No fixed term. 12 weeks' termination notice. 4 weeks' resignation notice.	175,000	0%

In addition to the above salary based compensation, the following key management personnel have been granted performance rights to align their compensation with the performance of the company, as reflected in its share price. Performance rights are granted in tranches and are linked to increasing share price over designated periods, as per the following table:

Director/Executive	Share Price Target *	25 cents	35 cents	50 cents
Stephen Porges (Executive Chairman)	No. of Performance Rights that will vest **	5,000,000	5,000,000	2,500,000
	Minimum period to remain a Director after re-admission	None	12 months from Re-admission	24 months from Re-admission
Campbell McComb (Executive Director)	No. of Performance Rights that will vest **	2,000,000	2,000,000	1,000,000
	Minimum period to remain a Director after re-admission	None	12 months from Re-admission	24 months from Re-admission
Craig Swanger (Non-Executive Director)	No. of Performance Rights that will vest **	2,000,000	2,000,000	1,000,000
	Minimum period to remain a Director after re-admission	None	12 months from Re-admission	24 months from Re-admission

# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## Directors' Report (cont.)

### Remuneration Report (cont.)

#### c) Service agreements (cont.)

Director/Executive	Share Price Target *	25 cents	35 cents	50 cents
Peter Beaumont (Chief Executive Officer)	No. of Performance Rights that will vest ***	560,000	1,120,000	1,120,000
	Minimum period to remain an Employee after re-admission	None	12 months from Re-admission	24 months from Re-admission

\* The Performance Rights will be issued and will vest in tranches based on the volume weighted average price at or above the hurdle price for at least ten consecutive trading days. In addition, the Director's term hurdle must be met.

\*\* The Performance Rights will lapse if the conditions are not met within three (3) years from 3 July 2015.

\*\*\* The Performance Rights will lapse if the conditions are not met within three (3) years from 4 September 2015.

#### d) Details of remuneration

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the major activities of DirectMoney Limited (formerly Basper Limited) and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent Company. At 30 June 2015, the key management personnel comprised only the Board of Directors, including the Managing Director.

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group:

	Short term benefits			Post employment benefits	Long-term benefits	Total
	Cash salary & fees	Leave entitlements paid	Non-monetary benefits	Superannuation	Annual & long service leave	
2015	\$	\$	\$	\$	\$	\$
<b>Directors</b>						
Alan Ian Beckett	19,833	-	-	1,884	-	21,717
Grantly Martin Anderson	12,983	-	-	1,233	-	14,216
Sean Ingram Balding	12,983	-	-	1,233	-	14,216
Winton William Willesee	32,000	-	-	-	-	32,000
Campbell Gordon McComb	12,000	-	-	-	-	12,000
Andrew Gordon McKay	12,000	-	-	-	-	12,000
Robert Norman Parton	12,000	-	-	-	-	12,000
	<b>113,799</b>	<b>-</b>	<b>-</b>	<b>4,350</b>	<b>-</b>	<b>118,149</b>

# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## Directors' Report (cont.)

### Remuneration Report (cont.)

#### d) Details of remuneration (cont.)

	Short term benefits			Post employment benefits	Long-term benefits	
	Cash salary & fees	Leave entitlements paid	Non-monetary benefits	Superannuation	Annual & long service leave	Total
2014	\$	\$	\$	\$	\$	\$
<b>Directors</b>						
Alan Ian Beckett	59,500	-	-	5,504	-	65,004
Grantly Martin Anderson	38,950	-	-	3,603	-	42,553
Brett Andrew Jones*	73,924	40,901	12,472	4,937	-	132,234
Sean Ingram Balding	53,418	-	-	6,838	-	60,256
Winton William Willesee	-	-	-	-	-	-
Campbell Gordon McComb	-	-	-	-	-	-
Andrew Gordon McKay	-	-	-	-	-	-
Robert Norman Parton	-	-	-	-	-	-
	<b>225,792</b>	<b>40,901</b>	<b>12,472</b>	<b>20,882</b>	<b>-</b>	<b>300,047</b>

\* Mr Jones resigned effective 7 November 2013.

The above remuneration is not linked to the future performance of the Company.

#### e) Equity instruments held by key management personnel

The table below shows the number of shares in the Company held by key management personnel. There were no shares granted during the reporting period as compensation.

2015	Balance at the start of the year	Received during the year	Other changes during the year	Balance at end of the year
<b>Name</b>				
Alan Ian Beckett	16,661	-	-	16,661
Brett Andrew Jones	-	-	-	-
Grantly Martin Anderson	-	-	-	-
Winton William Willesee*	-	-	-	-
Campbell Gordon McComb	-	-	-	-
Andrew Gordon McKay**	-	-	1,169,959	1,169,959
Robert Norman Parton*	-	-	-	-
<b>Total</b>	<b>16,661</b>	<b>-</b>	<b>1,169,959</b>	<b>1,186,620</b>
<b>2014</b>				
<b>Name</b>				
Alan Ian Beckett	16,661	-	-	16,661
Brett Andrew Jones	-	-	-	-
Grantly Martin Anderson	-	-	-	-
Winton William Willesee	-	-	-	-
Campbell Gordon McComb	-	-	-	-
Andrew Gordon McKay	-	-	-	-
Robert Norman Parton	-	-	-	-
<b>Total</b>	<b>16,661</b>	<b>-</b>	<b>-</b>	<b>16,661</b>

# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## Directors' Report (cont.)

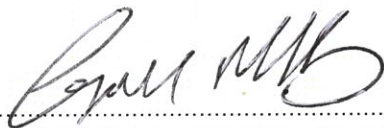
### Remuneration Report (cont.)

#### *e) Equity instruments held by key management personnel (cont.)*

- \* These key management personnel hold an interest in shares held through entities of which they are a shareholder and director. Please refer to the Information on Directors section on page 7 and 8 of the Directors' Report for further information.
- \*\* A shareholding was purchased by this key management personnel rather than being granted as compensation.

This concludes the remuneration report, which has been audited.

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



.....  
Campbell McComb, Executive Director

Sydney  
30 September 2015

## DECLARATION OF INDEPENDENCE BY CRAIG MAXWELL TO THE DIRECTORS OF DIRECTMONEY LIMITED

As lead auditor of DirectMoney Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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



Craig Maxwell  
Partner

**BDO East Coast Partnership**

Sydney, 30 September 2015

# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

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## Financial Report

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# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

## Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Discontinued Operations</b>			
Revenue	2	6,303	686,218
Gain on sale of assets held for sale		-	316,674
Changes in inventories of finished goods and work in progress	3	-	(231,153)
Raw materials and consumables used	3	-	(481,424)
Employee benefits expense		(126,987)	(80,885)
Freight and cartage		-	(5,312)
Lease payments on operating leases		(169)	(12,456)
Sales and marketing		(41)	(12,981)
Insurance		(1,444)	(29,052)
Inventory impairment		-	(60,000)
Accounting fees		(136,581)	(69,450)
Legal fees		(447,254)	(33,759)
Public company costs		(147,010)	(43,081)
Other operating expenses		(52,908)	(97,867)
<b>Loss before income tax</b>		<b>(906,091)</b>	<b>(154,528)</b>
Income tax expense	4	-	-
<b>Loss for the year</b>		<b>(906,091)</b>	<b>(154,528)</b>
<b>Other comprehensive income:</b>			
<b>Other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year</b>		<b>(906,091)</b>	<b>(154,528)</b>
<b>Loss for the year is attributable to:</b>			
Owners of DirectMoney Limited (formerly Basper Limited)		(906,091)	(154,528)
<b>Total comprehensive income is attributable to:</b>			
Owners of DirectMoney Limited (formerly Basper Limited)		(906,091)	(154,528)
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for loss attributable to the ordinary equity holders of the Company:</b>			
Basic earnings per share	19	(9.06)	(1.55)
Diluted earnings per share	19	(9.06)	(1.55)

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

# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

## Consolidated Statement of Financial Position

As at 30 June 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	2,880	5,503,075
Trade and other receivables	6	124,193	43,065
<b>Total current assets</b>		<b>127,073</b>	<b>5,546,140</b>
<b>Non-current assets</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>127,073</b>	<b>5,546,140</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	7	857,116	5,220,084
<b>Total current liabilities</b>		<b>857,116</b>	<b>5,220,084</b>
<b>Non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>857,116</b>	<b>5,220,084</b>
<b>NET (LIABILITIES) / ASSETS</b>		<b>(730,043)</b>	<b>326,056</b>
<b>EQUITY</b>			
Issued capital	8	3,599,774	3,599,774
Accumulated losses	9	(4,329,817)	(3,273,718)
<b>TOTAL (DEFICIENCY IN EQUITY) / EQUITY</b>		<b>(730,043)</b>	<b>326,056</b>

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



# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2015

	Note	Attributable to the owners of DirectMoney Limited (formerly Basper Limited)			Total \$
		Issued capital \$	Accumulated losses \$	Asset revaluation reserve \$	
<b>Balance at 1 July 2013</b>		<b>8,700,000</b>	<b>(4,328,775)</b>	<b>1,709,607</b>	<b>6,080,832</b>
Loss for the year		-	(154,528)	-	(154,528)
Other comprehensive income		-	-	-	-
Total comprehensive income	9	-	(154,528)	-	(154,528)
<i>Transactions with owners in their capacity as owners:</i>					
Repayment of share capital		(5,100,226)	-	-	(5,100,226)
Dividends paid	1(s)	-	(500,022)	-	(500,022)
Transfer to accumulated losses	9	-	1,709,607	(1,709,607)	-
<b>Balance at 30 June 2014</b>		<b>3,599,774</b>	<b>(3,273,718)</b>	<b>-</b>	<b>326,056</b>
Loss for the year		-	(906,091)	-	(906,091)
Other comprehensive income		-	-	-	-
Total comprehensive income	9	-	(906,091)	-	(906,091)
<i>Transactions with owners in their capacity as owners:</i>					
Dividends paid	1(s)	-	(150,008)	-	(150,008)
<b>Balance at 30 June 2015</b>		<b>3,599,774</b>	<b>(4,329,817)</b>	<b>-</b>	<b>(730,043)</b>

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

# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

## Consolidated Statement of Cash Flows

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Cash from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		192	1,440,194
Payments to suppliers and employees (inclusive of goods and services tax)		(256,456)	(1,151,139)
Interest received		6,303	49,518
<b>Net cash (outflow) / inflow from operating activities</b>	18	<b>(249,961)</b>	<b>338,573</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of assets held for sale		-	4,281,271
<b>Net cash inflow from investing activities</b>		<b>-</b>	<b>4,281,271</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(150,008)	(500,022)
Repayment of share capital		(5,100,226)	-
<b>Net cash outflow from financing activities</b>		<b>(5,250,234)</b>	<b>(500,022)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(5,500,195)</b>	<b>4,119,822</b>
Cash and cash equivalents at the beginning of the year		5,503,075	1,383,253
<b>Cash and cash equivalents at the end of the year</b>	5	<b>2,880</b>	<b>5,503,075</b>

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

# DirectMoney Limited (formerly Basper Limited)

ABN: 80 004 661 205

30 June 2015

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies

The financial report of DirectMoney Limited (formerly Basper Limited) (the Company) for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 30 September 2015. The directors have the power to amend and revise the financial report.

The financial report includes the consolidated financial statements of the Company and its controlled entities (the Group).

DirectMoney Limited (formerly Basper Limited) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

Prior to the commencement of the current accounting period the Company divested its main undertaking and the Board commenced the process of liquidating the Company.

During the reporting period shareholders rejected resolutions to liquidate the Company and a new Board was installed.

On 19 June 2015, shareholders approved resolutions to:

- Acquire 100% of the issued capital of DirectMoney Finance Pty Ltd (formerly DirectMoney Pty Ltd) (referred to hereafter as DMF) for an amount of shares of the Company;
- Change its principal activities to the Marketplace Lending industry, acting as an intermediary company between borrowers and investors in relation to unsecured personal loans.

On 3 July 2015, the Company completed its acquisition of DirectMoney Finance Pty Ltd and commenced operations in the Marketplace Lending industry.

The accounting policies set out below have been applied within this context.

#### 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*. DirectMoney Limited (formerly Basper Limited) is a for-profit entity for the purpose of preparing the financial statements.

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

##### i) Compliance with IFRS

The consolidated financial statements of the DirectMoney Limited (formerly Basper Limited) group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

##### ii) Historical cost convention

These financial statements have been prepared under the historical cost convention unless otherwise stated in the notes.

## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### *iii) Going concern*

These financial statements have been prepared under a going concern basis due to the following:

- On 26 May 2015, the Company entered into an Underwriting Agreement with Bell Potter Securities Ltd under which they agreed to underwrite 50,000,000 new shares in a public offering to raise \$10 million for the Company. The Company raised \$11.3 million in the public offering in July 2015; and
- Current cash balance against forecast annual spend for FY2016 indicates at least two years' funding.

#### *iv) Critical accounting estimates and judgments*

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current data available to the Group. Those matters of current significance are outlined within the Notes to the Financial Statements.

#### *v) Early adoption of standards*

The Group has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2014.

#### *vi) New and revised accounting standards and interpretations*

The accounting policies adopted reflect the change in basis of preparation of the financial report and set out in this note. The Group 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.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations are most relevant to the Group:

#### *AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities*

The Group has applied AASB 2012-3 from 1 July 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

#### *AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)*

The Group has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity.

## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### *vii) New accounting standards for application in future periods*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by the Group.

##### *AASB 9 Financial Instruments*

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Group.

##### *AASB 15 Revenue from Contracts with Customers*

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Group.

### **b) Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of the Company and all subsidiaries as at 30 June 2015, and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of 100% of the voting rights. The existence and effect of

## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### b) Principles of consolidation (cont.)

potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the Company, less any impairment charges.

#### c) Foreign currency transactions and balances

##### *Functional and presentation 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 dollars, which is DirectMoney Limited (formerly Basper Limited)'s functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised through profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

#### d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

i) *Sale of goods*

Control of the goods has passed to the buyer upon delivery of the goods to the customer.

ii) *Interest income*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

iii) *Loan establishment fees*

Loan establishment fees are deferred and recognised as an adjustment to the effective interest rate as these fees are an integral part of generating an involvement with the resulting financial instrument.

## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### e) Income tax

The income tax expense or benefit for the period is the tax payable / refundable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities, attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses 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 controlled entities where the parent entity 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 balances attributable to amounts recognised directly in equity are also recognised directly in equity.

DirectMoney Limited (formerly Basper Limited) and its wholly owned Australian controlled entities have implemented the tax consolidation legislation as of 1 January 2004.

The head entity, DirectMoney Limited (formerly Basper Limited), and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, DirectMoney Limited (formerly Basper Limited) also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

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## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### f) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, and as a minimum, annually. 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.

#### g) Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

#### h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### i) Property, Plant and Equipment

All property, plant and equipment except for freehold land and buildings are initially measured at cost and are depreciated over their useful lives on a straight-line basis. Depreciation commences from the time the asset is available for its intended use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives used for each class of depreciable assets are as follows:

<b>Class of Asset</b>	<b>Useful Life</b>
Plant and equipment	5-20 years
Leased plant and equipment	10 years

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount. Freehold land and buildings are carried at their recoverable amounts, based on periodic, but at least triennial, valuations by the directors. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

#### j) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred on a straight line basis.



## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### k) Financial instruments

##### *Recognition and initial measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

##### *De-recognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

##### *Classification and subsequent measurement*

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between the initial amount and the maturity amount calculated using the effective interest method.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The consolidated entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

##### *i) Financial Assets at Fair Value through Profit or Loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

##### *ii) Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### k) Financial instruments (cont.)

##### iii) *Financial Liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

##### iv) *Trade and Other Payables*

Due to their short term nature trade and other payables are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

#### *Impairment*

At the end of each reporting period, the consolidated entity assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the consolidated entity recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events have occurred are duly considered.

#### **l) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited in the statement of profit or loss and other comprehensive income.

## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### l) Trade receivables (cont.)

##### *Fair value estimation*

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Unless otherwise disclosed in the notes to the financial statements, the carrying amount of the Group's financial instruments approximates their fair value.

#### m) 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.

##### *Fair value estimation*

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Unless otherwise disclosed in the notes to the financial statements, the carrying amount of the Group's financial instruments approximates their fair value.

#### n) Contributed equity

Ordinary shares are classified as equity and recognised at the fair value of the consideration received by the Group. Incremental costs directly attributable to the issue of new shares or options are expensed as incurred.

#### o) Earnings per share

##### *(i) Basic earnings per share*

Basic earnings per share is calculated by dividing the result attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

##### *(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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

#### p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### q) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the Board of Directors.

#### r) Parent entity financial information

The financial information for the parent entity, DirectMoney Limited (formerly Basper Limited), has been prepared on the same basis as the consolidated financial statements, except that investments in subsidiaries are accounted for at cost net of impairment in the parent financial statements.

#### s) Capital management

##### (i) Risk management

The Group's objectives when managing capital are to maximize shareholder value and to maintain an optimal capital structure. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders. Management gives particular regard to conservation of liquidity in its recommendations as to the declaration of dividends. Dividends declared in 2014 and paid in the current financial year reflect the decision to liquidate the automotive business and return surplus capital to shareholders. The directors' current intention is not to declare any dividends subsequent to the acquisition of the DirectMoney business on 3 July 2015.

##### (ii) Dividends paid during the year

###### Ordinary shares

	2015 \$	2014 \$
Final unfranked dividend of \$0.015 per fully paid share (2014: \$0.05 per fully paid share)	<u>150,008</u>	<u>500,022</u>

##### (iii) Franking credits

Franking credits available for subsequent reporting periods based on a tax rate of 30% (2014 - 30%)	<u>1,543,000</u>	<u>1,543,000</u>
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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.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 1. Summary of Significant Accounting Policies (cont.)

#### t) Financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, receivables and payables.

Through the current and past financial years the Group's activities exposed it to a range of financial risks: credit risk and liquidity risk. Throughout the year the Group used different methods to measure and manage different types of risks to which it was exposed. Risk management was and remains carried out by the board of directors under policies approved by them, against the objective of supporting the delivery of the Group's financial targets whilst continuing to protect its financial security. The financial risks noted below are those of on-going focus to the board of directors.

##### (i) Credit risk

Credit risk arises from cash and cash equivalents and outstanding trade and other receivables. The Group has assessed that there is minimal risk that the cash and trade and other receivables balances are impaired.

Receivables balances are monitored on an ongoing basis with the result that the Group's experience of bad debts has not been significant. Any uncollectible amounts are provided for on a debtor specific basis. The Group has recorded a provision for doubtful debts totalling \$nil (2014: \$nil).

##### (ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to ensure the ability to meet financial obligations as they fall due. The Group manages liquidity risk by maintaining a cash reserve and continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Given current circumstances it is anticipated that financial liabilities will mature within six months of the reporting date, and that receivables will mature within the same timeframe. Due to their short term nature, the carrying amount of financial instruments is assumed to approximate their fair value.

#### u) Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### v) Employee benefits

Provision is made for the Group's obligation for employee benefits arising from services rendered by employees to the end of the reporting period. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and personal leave. Short term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled, plus any related costs.

The Group's obligations for short-term employee benefits are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligation for employees' annual leave entitlements are recognised as provisions in the statement of financial position. Long service leave has not been recognised in the provisions as all employees' years of service at reporting date is less than five years.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

	2015 \$	2014 \$
<b>2. Revenue from Discontinued Operations</b>		
Sale of goods	-	636,700
Interest income	6,303	49,518
	<u>6,303</u>	<u>686,218</u>

## 3. Expenses

### Cost of sales

Changes in inventories of finished goods and work in progress	-	231,153
Raw materials and consumables used	-	481,424
Total cost of sales	<u>-</u>	<u>712,577</u>

## 4. Income Tax

### Numerical reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax expense	(906,091)	(154,528)
Tax at the tax rate of 30% (2014: 30%)	(271,827)	(46,358)
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
- non-recognition of current year tax losses	<u>271,827</u>	<u>46,358</u>
Income tax expense / (benefit)	<u>-</u>	<u>-</u>

As at 30 June 2015, the entity has unrecognised carried forward tax losses of \$8,151,736 (2014: \$7,637,832), the utilisation of which is dependent on the entity satisfying the requirements of the Continuity of Ownership Test (COT), or, should the COT be failed, the Same Business Test (SBT). A detailed review of the taxation implications of the reverse acquisition of DirectMoney Finance Pty Limited on 3 July 2015 has yet to be completed and at this stage it is uncertain that the tax losses as set out above will be available going forward.

# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## Notes to the Financial Statements (cont.)

	2015 \$	2014 \$
<b>5. Cash and Cash Equivalents</b>		
Cash at bank	<u>2,880</u>	<u>5,503,075</u>
	<u>2,880</u>	<u>5,503,075</u>

### *Reconciliation to cash and cash equivalents at the end of the financial year*

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balance as above	<u>2,880</u>	<u>5,503,075</u>
Balance as per statement of cash flows	<u>2,880</u>	<u>5,503,075</u>

## 6. Current Assets - Trade and Other Receivables

Trade receivables	-	192
Provision for impairment of receivables	<u>-</u>	<u>-</u>
	-	192
GST receivable	106,387	18,232
Other receivables	<u>17,806</u>	<u>24,641</u>
	<u>124,193</u>	<u>43,065</u>

### *a) Allowance for impairment loss*

Trade receivables are non-interest bearing and are generally on 30 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. At 30 June the ageing analysis of trade receivables is as follows:

Current	-	192
30 days	-	-
60 days	-	-
90+ days	<u>-</u>	<u>-</u>
	-	192

A provision for doubtful debts of \$nil (2014: \$nil) has been made as at 30 June 2015. Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

### *b) Fair value and credit risk*

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 7. Current Liabilities - Trade and Other Payables

	2015 \$	2014 \$
Trade and other payables	681,780	119,859
Amounts owed to related parties (note 16)	175,336	-
Repayment of share capital	-	5,100,225
	<u>857,116</u>	<u>5,220,084</u>

#### *Fair value*

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. It is expected that all payables will be settled in the next 12 months.

### 8. Issued Capital

	2015 \$	2014 \$
a) <i>Share capital</i>		
10,000,443 (2014: 10,000,443) Ordinary shares, fully paid	<u>3,599,774</u>	<u>3,599,774</u>

#### b) *Movements in ordinary share capital*

Details	Number of shares	\$
Opening balance 1 July 2014 and closing balance at 30 June 2015	<u>10,000,443</u>	<u>3,599,774</u>

#### c) *Ordinary shares*

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number and amounts paid on shares held. Ordinary shares have no par value. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a general meeting of the Company.

### 9. Equity - Reserves and Accumulated Losses

	2015 \$	2014 \$
<b>Movement in reserves</b>		
<b>Asset revaluation reserve</b>		
Opening balance	-	1,709,607
Transfer of asset revaluation reserve to accumulated losses	-	(1,709,607)
Total	<u>-</u>	<u>-</u>
<b>Accumulated losses</b>		
Opening balance	(3,273,718)	(4,328,775)
Total comprehensive income for the year	(906,091)	(154,528)
Dividends paid for ordinary shares during the financial year	(150,008)	(500,022)
Transfer of asset revaluation reserve to accumulated losses	-	1,709,607
Total	<u>(4,329,817)</u>	<u>(3,273,718)</u>



# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## Notes to the Financial Statements (cont.)

### 10. Remuneration of Auditors

During the year, the following fees were paid or payable for services provided by the auditor:

	2015 \$	2014 \$
BDO East Coast Partnership		
- Audit of the financial report	15,000	-
- Taxation services and due diligence investigations	36,425	-
- Investigating accountant services	90,885	-
	<u>142,310</u>	<u>-</u>
RSM Bird Cameron Partners (previous auditor)		
- Audit of the financial report	-	26,500
- Review of the interim financial report	12,300	17,958
	<u>12,300</u>	<u>44,458</u>

### 11. Contingencies and Commitments

The parent entity and Group had neither contingent liabilities / assets nor any financial commitments as at 30 June 2015.

### 12. Operating Segments

There was no customer activity during the year as the Company had divested its main undertaking.

In 2014, the Company operated primarily within one industry segment, being the specialist industrial products industry, and also operated only within one geographical segment, being Australia. Operations of the consolidated entity in 2014 reflected one customer whose individual revenue exceeded 10% of consolidated revenue. The totals of their revenue was as follows:

	2015 \$	2014 \$
Customer A	-	649,701

### 13. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policies described in Note 1:

Name	Status	Country of incorporation	Percentage Owned 2015	Percentage Owned 2014
Berklee Retail Pty Ltd	Deregistered 5 August 2015	Australia	100%	100%
Undacar Parts (VIC) Pty Ltd	Deregistered 5 August 2015	Australia	100%	100%
Undacar Parts (NSW) Pty Ltd	In external administration	Australia	100%	100%
Undacar Parts (QLD) Pty Ltd	Deregistered 5 August 2015	Australia	100%	100%
Undacar Parts (SA) Pty Ltd	Deregistered 5 August 2015	Australia	100%	100%
Undacar Parts (WA) Pty Ltd	In external administration	Australia	100%	100%
Undacar Parts (TAS) Pty Ltd	Deregistered 5 August 2015	Australia	100%	100%
Undacar Parts Pty Ltd	Deregistered 5 August 2015	Australia	100%	100%

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 14. Events Since the end of the Financial Year

After divesting the Company's automotive assets, the directors of the Company explored various options to realise the value of the corporate shell through the acquisition of a value accretive business. On 3 July 2015 the Company completed the acquisition of 100% of the issued capital and voting rights of DirectMoney Finance Pty Ltd (formerly DirectMoney Pty Ltd) (DMF). In consideration for the acquisition, DMF shareholders received 195,800,000 shares in the Company, equal to 95.1% of the voting rights. This acquisition was a reverse acquisition process where management of the target company (DMF) took control of the parent company (DirectMoney Ltd). Subsequent to this acquisition, the Company raised \$11,297,000 in a public offering at 20 cents per share, valuing the DirectMoney business at \$39.16 million. On 13 July 2015 the Company was reinstated to trade on the ASX under the name "DirectMoney Limited" and under the code "DM1".

A pro forma consolidated statement of financial position of the new Group as at 10 July 2015 is set out below:

**DirectMoney Ltd and DirectMoney Finance Pty Ltd and its Subsidiaries**  
**Pro-Forma Consolidated Statement of Financial Position**  
**as at 10 July 2015**

	<b>Pro Forma Consolidation</b>
	\$
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	11,431,736
Loan receivables	1,004,907
Trade and other receivables	159,172
Other assets	25,371
Total Current Assets	<u>12,621,186</u>
<b>NON-CURRENT ASSETS</b>	
Loan receivables	3,407,280
Property, plant and equipment	7,330
Total Non-Current Assets	<u>3,414,610</u>
<b>TOTAL ASSETS</b>	<u><u>16,035,796</u></u>
<b>CURRENT LIABILITIES</b>	
Trade and other payables	1,406,951
Provisions	38,675
Convertible notes	2,017,723
Total Current Liabilities	<u>3,463,349</u>
<b>TOTAL LIABILITIES</b>	<u><u>3,463,349</u></u>
<b>NET ASSETS</b>	<u><u>12,572,447</u></u>
<b>EQUITY</b>	
Contributed equity	21,909,004
Reserves	4,210
Accumulated losses	(9,340,767)
<b>TOTAL EQUITY</b>	<u><u>12,572,447</u></u>

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 14. Events Since the end of the Financial Year (cont.)

#### Acquisition-related costs

Costs related to the acquisition of DMF have been expensed through profit and loss as follows:

	\$
Accounting fees	(136,581)
Legal fees	(447,254)
Public company costs	(147,010)
	<u>(730,845)</u>

#### Description of the DirectMoney business

DMF is a participant in the Marketplace Lending industry where it primarily acts as an intermediary company between borrowers and lenders in relation to unsecured personal loans. DMF originates unsecured personal loans ranging from \$5,000 to \$35,000 plus establishment fees for a loan term of 3 or 5 years. After each loan is written, it will be held on DMF's balance sheet for a minimum period of 30 days from the date of settlement, after which it is then on-sold to the DirectMoney Personal Loan Fund (an in-house retail fund managed by a subsidiary of DMF) or to other third party institutions.

DMF earns revenue from establishment fees paid by borrowers, interest on loans held on its balance sheet, funds management fees paid by the retail fund, and loan servicing fees paid by third party institutions.

For future reporting periods, the Company's financial statements will be a reflection of the continuation of DMF's activities and assets.

#### New investments

The new Group has invested \$500,000 into the DirectMoney Personal Loan Fund. The DirectMoney Personal Loan Fund is a registered managed investment scheme where investors' money is pooled and invested into unsecured personal loans acquired from DMF.

### 15. Key Management Personnel Disclosures

#### a) Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2015	2014
	\$	\$
Short-term employee benefits	113,799	266,693
Post-employment benefits	4,350	20,882
Long-term benefits	-	-
Share-based payments	-	12,472
Total KMP compensation	<u>118,149</u>	<u>300,047</u>

Detailed remuneration disclosures are provided in the remuneration report, as part the directors' report.

#### Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

#### Post-employment benefits

These amounts are the current year's estimated cost of providing for the Group's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 15. Key Management Personnel Disclosures (cont.)

#### a) Compensation (cont.)

##### Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

##### Share-based payments

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, rights and shares granted on grant date.

#### b) Equity instrument disclosures relating to key management personnel

The number of shares in the Company held during the financial year by each director of DirectMoney Limited (formerly Basper Limited) and other key management personnel of the Group, including their personal related parties, are set out below. There were no shares granted during the reporting period as compensation. The number of shares held by key management personnel are as follows.

	Balance at 1 July	Commencement / cessation of role	Net change other	Balance at 30 June
<b>2015</b>				
<b>Directors of DirectMoney Ltd (formerly Basper Ltd)</b>				
Alan Ian Beckett	16,661	-	-	*16,661
Winton Willesee	-	-	1,137,288	1,137,288
Robert Parton	-	-	1,137,287	1,137,287
Andrew McKay	-	-	1,169,959	1,169,959
	16,661	-	3,444,534	3,461,195

#### 2014

##### Directors of DirectMoney Ltd (formerly Basper Ltd)

Alan Ian Beckett	16,661	-	-	16,661
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\* Mr Beckett resigned as Non-Executive Chairman on 27 October 2014 however he still maintains a shareholding in the Company as of 30 June 2015.

#### c) Loans to key management personnel

There were no loans paid between DirectMoney Limited (formerly Basper Limited) and its key management personnel during the current and prior period.

### 16. Related Party Transactions

#### a) Parent entity

DirectMoney Limited (formerly Basper Limited) is the parent entity.

#### b) Subsidiaries

Interests in subsidiaries are set out in note 13.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

### 16. Related Party Transactions (cont.)

#### c) Transactions with related parties

As at 30 June 2015, the parent entity owed \$175,336 to DirectMoney Finance Pty Ltd (formerly DirectMoney Pty Ltd). This is a temporary, unsecured, interest-free loan.

DirectMoney Finance Pty Ltd is a related party of the parent entity as Mr Campbell McComb is a director of both entities.

There was no sale of raw materials and finished goods to other related parties during the year (2014: \$649,701).

### 17. Parent Entity Financial Information

#### a) Summary financial information

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

	2015 \$	2014 \$
<b>Statement of Financial Position</b>		
Current assets	124,681	5,546,140
Non-current assets	-	-
Total assets	<u>124,681</u>	<u>5,546,140</u>
Current liabilities	854,724	5,220,084
Non-current liabilities	-	-
Total Liabilities	<u>854,724</u>	<u>5,220,084</u>
<i>Shareholders equity</i>		
Issued capital	3,599,774	3,599,774
Accumulated losses	<u>(4,329,817)</u>	<u>(3,273,718)</u>
	<u>(730,043)</u>	<u>326,056</u>
Loss for the year	<u>(906,091)</u>	<u>(88,564)</u>
Total comprehensive income	<u>(906,091)</u>	<u>(88,564)</u>

#### b) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2015. (2014: nil)

#### c) Contractual commitments

On 24 March 2015, the parent entity entered into a Share Sale Agreement to acquire 100% of the share capital of DirectMoney Finance Pty Ltd (formerly DirectMoney Ltd). Completion of the acquisition took place on 3 July 2015.

# DirectMoney Limited (formerly Basper Limited)

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## Notes to the Financial Statements (cont.)

	2015 \$	2014 \$
<b>18. Cash Flow Information</b>		
<i>Reconciliation of loss after income tax to net cash outflows from operating activities</i>		
Loss for the period	(906,091)	(154,528)
Profit on disposal of non-current assets	-	(316,673)
Repayment of share capital	5,100,226	-
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(81,128)	686,402
Decrease in inventories	-	712,577
Decrease in trade payables and accruals	(4,362,968)	(362,555)
Decrease in provisions	-	(226,650)
Net cash (outflows) / inflows from operating activities	<u>(249,961)</u>	<u>338,573</u>

## 19. Earnings Per Share

	Cents	Cents
Basic earnings per share	(9.06)	(1.55)
Diluted earnings per share	(9.06)	(1.55)

a) *Weighted average number of shares used as the denominator*

	Number of shares	Number of shares
Weighted average number of shares used as the denominator in calculating basic earnings per share	10,000,443	10,000,443
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of ordinary shares	<u>10,000,443</u>	<u>10,000,443</u>

# DirectMoney Limited (formerly Basper Limited)

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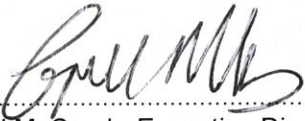
30 June 2015

## Directors' Declaration

The directors of the Company declare that, in the opinion of the directors:

- (a) the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position and performance of the consolidated entity; and
  - (ii) complying with Australian Accounting Standards, including the interpretations, and the *Corporations Regulations 2001*;
- (b) the financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1;
- (c) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*; and
- (d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.



.....  
Campbell McComb, Executive Director

Sydney  
30 September 2015

## INDEPENDENT AUDITOR'S REPORT

To the members of DirectMoney Limited

### Report on the Financial Report

We have audited the accompanying financial report of DirectMoney Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, 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 year's end or from time to time during the financial year.

#### Directors' Responsibility 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



### Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of DirectMoney Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

### Opinion

In our opinion:

- (a) the financial report of DirectMoney Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

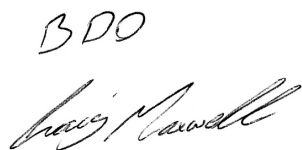
### Report on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 19 of the directors' report for the year ended 30 June 2015. 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.

### Opinion

In our opinion, the Remuneration Report of DirectMoney Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

**BDO East Coast Partnership**



**Craig Maxwell**  
**Partner**

Sydney, 30 September 2015

# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 31 August 2015.

			2015 No. of Holders	2014 No. of Holders
<b>(a) Distribution schedule of holdings</b>				
1	-	1,000	77	63
1,001	-	5,000	106	104
5,001	-	10,000	116	42
10,001	-	100,000	181	34
100,001 and over			85	19
<b>Number of holders of fully paid ordinary shares</b>			<b>566</b>	<b>262</b>
 % of total holding by or on behalf of twenty largest shareholders			 84.42%	 84.4%
Holdings less than a marketable parcel			161	62

### Voting rights – Ordinary Shares

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.

	Number held	% of issued shares
<b>(b) Substantial shareholders</b>		
ADCOCK PRIVATE EQUITY PTY LIMITED <ADCOCK PRIVATE EQUITY A/C>	59,502,125	22.36
DAVID DOUST + SHIRLEY DOUST	28,967,470	10.89
GREIG HOLDINGS PTY LIMITED <THE GREIG FAMILY A/C>	22,997,903	8.64
BUBBLYDAYS PTY LTD	20,023,631	7.52
JANET GAMBOLD + BLEDDYN GAMBOLD <GAMBOLD RETIREMENT PLAN>	19,267,900	7.24
	<b>150,759,029</b>	<b>56.65</b>

# DirectMoney Limited (formerly Basper Limited)

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30 June 2015

## ASX Additional Information (cont.)

	Number held	% of issued shares
<b>(c) Twenty largest shareholders</b>		
ADCOCK PRIVATE EQUITY PTY LIMITED <ADCOCK PRIVATE EQUITY A/C>	42,002,125	15.78
DAVID & SHIRLEY DOUST	28,967,470	10.89
GREIG HOLDINGS PTY LIMITED <THE GREIG FAMILY>	22,997,903	8.64
BUBBLYDAYS PTY LTD	20,023,631	7.52
JANET GAMBOLD + BLEDDYN GAMBOLD <GAMBOLD RETIREMENT PLAN>	19,267,900	7.24
ADCOCK PRIVATE EQUITY PTY LTD <ADCOCK PRIVATE EQUITY A/C>	17,500,000	6.58
P2P GLOBAL INVESTMENTS PLC	11,996,466	4.51
J P MORGAN NOMINEES AUSTRALIA LIMITED	9,975,000	3.75
OZIBIZ CONSULTING SERVICES PTY LIMITED	7,064,897	2.65
LIBERUM CAPITAL LIMITED	6,422,051	2.41
CS FOURTH NOMINEES PTY LTD	5,632,613	2.12
CITICORP NOMINEES PTY LIMITED	5,621,630	2.11
CAMPBELL MCCOMB	5,108,251	1.92
ANGELA KAREN MARSHALL	3,853,580	1.45
DAVID EDWARD RUSSELL	3,853,580	1.45
ANDY ZAPLE <F3000 UNIT A/C>	3,581,531	1.35
STEPHEN PORGES	3,557,400	1.34
CHARANDA NOMINEE COMPANY PTY LIMITED <THE GREYCLIFFE SUPERFUND>	2,750,000	1.03
PIASTER PTY LIMITED <TROLLIP FAMILY SUPER FUND>	2,362,351	0.89
MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	2,100,000	0.79
	<u>224,638,379</u>	<u>84.42</u>