

Basper Limited

ABN: 80 004 661 205

Half year Financial Report

For the Period Ended 31 December 2014

Directors' report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Basper Limited (referred to hereafter as the Company) and the entities it controlled at the end of, or during the half-year ended 31 December 2014.

Directors

The following persons were directors of Basper Limited (formerly Berklee Limited) during the whole of the financial year and up to the date of this report:

Name	Position	
Alan Ian Beckett	Non-Executive Chairman	- Resigned 27 October 2014
Winton William Willesee	Non-Executive Chairman	- Appointed 27 October 2014
Grantly Martin Anderson	Deputy Chairman	- Resigned 27 October 2014
Campbell Gordon McComb	Non-Executive Director	- Appointed 27 October 2014
Andrew Gordon McKay	Non-Executive Director	- Appointed 27 October 2014
Robert Norman Parton	Non-Executive Director	- Appointed 27 October 2014
Brett Andrew Jones	Managing Director and Company Secretary	- Resigned 7 November 2013
Sean Ingram Balding	Managing Director and Company Secretary	- Appointed 7 November 2014 Resigned 27 October 2014

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. The new Board commenced actively seeking a value accretive acquisition for the Company.

Dividends

The former Directors resolved to pay a 1.5 cent per share unfranked special dividend.

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out within this financial report.

Signed in accordance with a resolution of the directors.



.....
Winton Willesee
Non-Executive Chairman
Perth

10 April 2015

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Basper Limited for the half year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM BIRD CAMERON PARTNERS



P A RANSOM

Partner

Melbourne, Victoria
Dated: 10 April 2015

Basper Limited

ABN: 80 004 661 205

31 December 2014

Consolidated Condensed Statement of Comprehensive Income For the half-year ended 31 December

	2014 \$	2013 \$
Discontinued operations		
Revenue	-	456,437
Other income	6,161	22,079
Net gain on sale of assets held for sale	-	308,003
Total revenue	6,161	786,519
Expenses		
Changes in inventories of finished goods and work in progress	-	209,940
Raw materials and consumables used	-	322,677
Employee benefits expense	86,487	27,840
Freight and cartage	-	5,770
Lease payments on operating leases	556	6,235
Sales and marketing expense	41	9,418
Professional fees	38,587	74,910
Audit and accounting fees	21,742	35,150
Insurance expense	-	15,630
Other expenses from ordinary activities	51,910	35,150
Total expenses	199,323	742,720
(Loss) / profit before tax	(193,162)	43,799
Income tax expense / (benefit)	-	-
(Loss) / profit for the half year	(193,162)	43,799
Other comprehensive income	-	-
Total comprehensive income for the half year	(193,162)	43,799
Loss for the period attributable to the:		
Owners of Basper Limited	(193,162)	43,799
Total comprehensive income for the period attributable to the:		
Owners of Basper Limited	(193,162)	43,799

	Note	Cents	Cents
Earnings per share for (loss) / profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	3	(1.93)	0.44
Diluted earnings per share	3	(1.93)	0.44
Earnings per share for (loss) / profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	3	(1.93)	0.44
Diluted earnings per share	3	(1.93)	0.44

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

Basper Limited

ABN: 80 004 661 205

31 December 2014

Consolidated Condensed Statement of Financial Position As at

	Note	31 December 2014 \$	30 June 2014 \$
ASSETS			
Current assets			
Cash and cash equivalents		68,309	5,503,075
Trade and other receivables		30,524	43,065
Total current assets		98,833	5,546,140
Non-current assets		-	-
TOTAL ASSETS		98,833	5,546,140
LIABILITIES			
Current liabilities			
Trade and other payables		115,946	5,220,084
Total current liabilities		115,946	5,220,084
Non-current liabilities		-	-
TOTAL LIABILITIES		115,946	5,220,084
NET (LIABILITIES) / ASSETS		(17,113)	326,056
EQUITY			
Issued capital	4	3,599,774	3,599,774
Accumulated losses		(3,616,887)	(3,273,718)
TOTAL (DEFICIENCY OF EQUITY) / EQUITY		(17,113)	326,056

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

Basper Limited

ABN: 80 004 661 205

31 December 2014

Consolidated Condensed Statement of Changes in Equity For the half-year ended 31 December

	Note	Issued Capital \$	Asset Revaluation Reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2013		8,700,000	1,709,607	(4,328,775)	6,080,832
Profit for the period		-	-	43,799	43,799
Total comprehensive income for the period		-	-	43,799	43,799
Release of asset revaluation reserve		-	(1,709,607)	1,709,607	-
<i>Transactions with owners in their capacity as owners:</i>					
Payment of dividends	2	-	-	(500,022)	(500,022)
Balance at 31 December 2013		8,700,000	-	(3,075,391)	5,624,609
Balance at 1 July 2014		3,599,774	-	(3,273,718)	326,056
Loss for the period		-	-	(193,162)	(193,162)
Total comprehensive income for the period		-	-	(193,162)	(193,162)
<i>Transactions with owners in their capacity as owners:</i>					
Payment of dividends	2	-	-	(150,007)	(150,007)
Balance at 31 December 2014		3,599,774	-	(3,616,887)	(17,113)

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

Basper Limited

ABN: 80 004 661 205

31 December 2014

Consolidated condensed Statement of Cash Flows For the half-year ended 31 December

	Note	2014 \$	2013 \$
Cash from operating activities			
Receipts from customers (inclusive of goods and services tax)		192	974,168
Payments to suppliers and employees (inclusive of goods and services tax)		(190,886)	(805,701)
Interest received		6,161	17,479
Net cash (outflow) / inflow from operating activities		(184,533)	185,946
Cash flows from investing activities		-	-
Cash flows from financing activities			
Repayment of share capital	4	(5,100,226)	-
Dividends paid	2	(150,007)	(500,022)
Net cash outflow from financing activities		(5,250,233)	(500,022)
Net decrease in cash and cash equivalents		(5,434,766)	(314,076)
Cash and cash equivalents at beginning of year		5,503,075	1,383,253
Cash and cash equivalents at end of year		68,309	1,069,177

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

Notes to the Half-Year Financial Statements

1. Summary of significant accounting policies

a) Basis of preparation for the half-year report

This condensed consolidated interim financial report for the half year reporting period ended 31 December 2014 has been prepared in accordance with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by Basper Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below:

i) *New and amended standards adopted by the Group*

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

ii) *Going concern*

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The consolidated entity reported an operating loss of \$193,162 for the financial period and it had a working capital and net asset deficiency of \$17,113 as at the end of the financial period.

On 27 October 2014, the directors of the Company resigned and new directors were appointed. The new directors commenced actively seeking a value accretive acquisition for the Company.

Following the end of the period the Company announced it has agreed terms to acquire DirectMoney Pty Ltd (see ASX Release dated 24 March 2015) and undertake a capital raising of a minimum of \$5 million.

As at the date of this report, the above transaction and capital raising have not been completed. The directors are confident the transaction and capital raising will be successfully completed. However in the event that this transaction and capital raising are not successfully completed, the consolidated entity will be reliant upon the financial support of stakeholders. In these circumstances, there is a material uncertainty which may cast significant doubt over the ability of the company to continue as a going concern. If the Consolidated entity is unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business.

In view of the proposed transaction and capital raising discussed above, the directors consider that the consolidated entity can continue as a going concern and, accordingly, the financial report has been prepared on a going concern basis.

The statement of comprehensive income reflects discontinued operations of the organisation as a whole, reflecting the circumstances which existed for the period.

Basper Limited

ABN: 80 004 661 205

31 December 2014

Notes to the Financial Statements (cont.)

2. Dividends

	Half-year ended	
	2014	2013
	\$	\$
Final unfranked special dividend for the year ended 30 June 2014 of 1.5 cents per fully paid share (30 June 2013 of 5.0 cents)	150,007	500,022

3. Earnings per share

	Cents	Cents
Basic earnings per share	(1.93)	0.44
Diluted earnings per share	(1.93)	0.44

a) Weighted average number of shares used as the denominator

	Half-year ended	
	2014	2013
	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	10,000,443	10,000,443

b) Diluted earnings per share

There are no instruments on issue that are dilutive in nature.

4. Issued capital

	As at	
	31 December 2014	30 June 2014
	\$	\$
a) Share capital		
10,000,443 (June 2014: 10,000,443) Ordinary shares, fully paid	3,599,774	3,599,774

b) Movements in ordinary share capital

Details	Number of shares	\$
Balance at 1 July 2013	10,000,443	8,700,000
Repayment of share capital	-	(5,100,226)
Balance at 30 June 2014 and 31 December 2014	10,000,443	3,599,774

At the Company's Extraordinary General Meeting on 30 June 2014, shareholders resolved by general resolution, to give approval for the total equity of the Company to be reduced by an amount of \$5,100,226 with such equal reduction of capital. This was effected by the Company paying to each holder of fully paid ordinary shares in the Company, an amount of \$0.51 per share.

5. Contingencies

The Group had neither contingent liabilities / assets nor commitments as at 31 December 2014.

Notes to the Financial Statements (cont.)

6. Operating segments

The Company's Board of Directors consider the business from both a product and a geographical perspective. The Group operated primarily within one industry segment, being the specialist industrial products industry, and also operates only within one geographical segment, being Australia.

Additional supplementary segment information - customers

The discontinued operations of the Group have only one customer whose individual revenue exceeds 10% of consolidated revenue in the prior year (31 December 2014 – none). The totals of their revenue is as follows:

	Half-year ended	
	2014	2013
	\$	\$
Customer A	-	456,437

7. Events occurring after the reporting period

Following the end of the period the Company announced it has agreed terms to acquire DirectMoney Pty Ltd (see ASX Release dated 24 March 2015) and undertake a capital raising of a minimum of \$5 million.

Directors' Declaration

Half-Year Ended 31 December 2014

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 consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



.....
Winton Willesee
Non-Executive Chairman
Perth

10 April 2015

RSM Bird Cameron Partners

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INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF****BASPER LIMITED**

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

Directors' responsibility for the half-year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Basper Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

Conclusion

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

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

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 1(a)(ii) in the financial report, which indicates the consolidated entity reported an operating loss of \$193,162 for the financial period and it had a working capital and net asset deficiency of \$17,113 as at the end of the financial period. This note also indicates the consolidated entity has agreed terms of an acquisition and capital raising which have not been successfully completed at the date of the half year financial report and that, in the event the acquisition and capital raising are not successful, the consolidated entity will be reliant upon the financial support of stakeholders. These conditions indicate there is a material uncertainty which may cast significant doubt over the ability of the company to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.



RSM BIRD CAMERON PARTNERS



P A RANSOM
Partner

Melbourne, Victoria
Dated: 10 April 2015