



CCK FINANCIAL SOLUTIONS

CCK Financial Solutions Ltd
A.B.N. 20 009 296 673
Level 3, 12 St Georges Tce
Perth W.A. 6000
Telephone: 61 8 9223 7600
Facsimile: 61 8 9223 7699

Half Year Report – Appendix 4D

Results for announcement to the market

For the period ended 31 December 2009

(Previous corresponding period 31 December 2008)

		2009 \$A'000	2008 \$A'000
Revenues from ordinary activities	Down 4.7%	2,130	2,236
Profit/(loss) from ordinary activities after tax attributable to members	Down 233.6%	(250)	187
Net profit/(loss) for the period attributable to members	Down 233.6%	(250)	187

Dividends:

There were no dividends declared or paid in relation to the half-year ended 31 December 2009.

Brief explanation of the above results:

The result for the period was mainly due to unfavourable exchange rate movements, reduced licence and maintenance revenue, increased operational expenditure and the impairment of a specific receivable.

CCK Financial Solutions Ltd and Controlled Entities
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1. *NTA Backing*

	Economic Entity	
	2009	2008
Net tangible asset backing per ordinary security	2.4 cents	3.0 cents

2. *Basis of preparation*

The information provided in this Appendix 4D is based on the interim financial report attached which has been prepared in accordance with Australian Equivalents to International Reporting Standards.

3. *Independent review of the financial report*

The financial report has been independently reviewed. The report is not subject to a qualified independent review statement.

Financial Report

Half Year ended 31 December 2009

This half year financial report is to be read in conjunction with the financial report for the year ended 30 June 2009.

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CCK Financial Solutions Ltd and Controlled Entities

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Directors' Report

Your directors present their report on the company and its controlled entities ("CCK", "CCK group", "economic entity", or "Company") for the half-year ended 31 December 2009.

Directors

The names of directors in office at any time during or since the end of the half-year are:

Mr Alan Ledger (resigned 19.11.09)
Mr Joseph S. M. Wong
Ms Helen Glastras
Mr Michael Wright
Mr Gregory Russell Major (appointed 04.02.10)

Directors have been in office since the start of the financial year to the date of this report unless otherwise indicated.

Review and Result of Operations

The consolidated net loss from ordinary activities of the economic entity for the 31 December 2009 half-year after providing for income tax amounted to \$250,317 (2008: profit of \$187,301). The significant exchange gains reported last period were not repeated this period due to the upward movement in exchange rates between the Australian (AUD) and the United States Dollar (USD) this period impacting those contracts and cash balances held in USD. While implementation revenue increased this period, this was offset by reduced licence and maintenance revenue. In addition the Company has reversed an accrual related to a disputed amount.

Expenditure increased from the employment of additional staff to cater for the increased level of activity combined with the creation of a provision for doubtful debts in regard to a client which has gone into government administration and the continuation of the project has not yet been determined.

Earnings before interest, taxation, depreciation and amortisation (EBITDA) amounted to \$97,067 compared to \$476,040 for the corresponding period.

The Company continues its marketing within Australia and Asia.

After Balance Date Events

On 3 February 2010, the Company announced that it had signed a contract with PT Bank Pan Indonesia Tbk (PaninBank) in Indonesia for the acquisition of Guava Suite, CCK's treasury management and wholesale banking system. Guava will be used to manage PaninBank's entire treasury operation, covering dealing, risk management, settlement, accounting and reporting.

On 5 February 2010, The Company announced the appointment of Gregory Russell Major as a director of CCK Financial Solutions Ltd.

No other matters or circumstances have arisen since the end of the half year, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in subsequent financial periods.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 6.

CCK Financial Solutions Ltd and Controlled Entities

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Signed in accordance with a resolution of the board of directors



**JOSEPH WONG
MANAGING DIRECTOR**

DATED at PERTH this 25th day of February 2010

10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

**Auditor's Independence Declaration
To The Directors of CCK Financial Solutions Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of CCK Financial Solutions Limited for the half-year ended 31 December 2009, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON AUDIT PTY LTD



M J Hillgrove
Director - Audit & Assurance Services

Perth, 25 February 2010

CCK Financial Solutions Ltd and Controlled Entities

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Condensed Consolidated Statement of Comprehensive Income**For the Half-Year ended 31 December 2009**

	Consolidated	
	2009	2008
	\$	\$
Revenue	2,129,766	2,235,994
Employee benefits expenses	(1,416,866)	(1,201,040)
Depreciation and amortisation expenses	(349,131)	(294,687)
Computer and software expenses	(17,623)	(21,935)
Travel and accommodation expenses	(125,182)	(162,297)
Rentals and communications expenses	(111,930)	(100,667)
Commissions	14,400	-
Other expenses	(377,824)	(276,452)
Profit/(loss) before income tax	(254,390)	178,916
Income tax expense	4,073	8,385
Profit/(loss) for the period	(250,317)	187,301
Other comprehensive income		
Adjustments from translation of foreign controlled entities	(29,979)	133,460
Income tax relating to components of other comprehensive income	-	-
Total comprehensive income for the period	(280,296)	320,761
Basic earnings per share (cents per share)	(0.49)	0.37
Diluted earnings per share (cents per share)	(0.49)	0.37

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

Condensed Consolidated Statement of Financial Position

As at 31 December 2009

	Consolidated	
	31.12.09	30.06.09
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	1,173,984	1,320,512
Trade and other receivables	1,109,478	2,298,590
Other current assets	47,157	84,414
TOTAL CURRENT ASSETS	<u>2,330,619</u>	<u>3,703,516</u>
NON-CURRENT ASSETS		
Plant and equipment	128,483	142,279
Intangible assets	3,683,902	3,602,896
Deferred tax asset	386,882	444,981
TOTAL NON-CURRENT ASSETS	<u>4,199,267</u>	<u>4,190,156</u>
TOTAL ASSETS	<u>6,529,886</u>	<u>7,893,672</u>
CURRENT LIABILITIES		
Trade and other payables	272,695	901,184
Short-term provisions	639,623	575,821
Other current liabilities / deferred revenue	275,833	756,582
TOTAL CURRENT LIABILITIES	<u>1,188,151</u>	<u>2,233,587</u>
NON-CURRENT LIABILITIES		
Deferred tax liability	378,302	439,214
Long-term provisions	65,876	49,099
TOTAL NON-CURRENT LIABILITIES	<u>444,178</u>	<u>488,313</u>
TOTAL LIABILITIES	<u>1,632,329</u>	<u>2,721,900</u>
NET ASSETS	<u>4,897,557</u>	<u>5,171,772</u>
EQUITY		
Issued capital	17,156,000	17,156,000
Reserves	(959)	22,939
Retained earnings	(12,257,484)	(12,007,167)
TOTAL EQUITY	<u>4,897,557</u>	<u>5,171,772</u>

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

Condensed Consolidated Statement of Changes in Equity

For the Half-Year ended 31 December 2009

	Note	Share Capital		Retained Earnings	Dividend Reserve	Foreign Currency Translation	Option Reserve	Total Equity
		Ordinary	Redeem-able Preference					
		\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2008		15,978,000	1,178,000	(12,329,800)	37,941	(74,292)	-	4,789,849
Profit/(loss) for the period		-	-	187,301	-	-	-	187,301
Adjustments from translation of foreign controlled entities		-	-	-	-	133,460	-	133,460
Total comprehensive income for the period		-	-	187,301	-	133,460	-	320,761
Dividends paid or provided for		-	-	-	-	-	-	-
Balance at 31 December 2008		15,978,000	1,178,000	(12,142,499)	37,941	59,168	-	5,110,610
Balance at 1 July 2009		15,978,000	1,178,000	(12,007,167)	37,941	(27,176)	12,174	5,171,772
Profit/(loss) for the period		-	-	(250,317)	-	-	-	(250,317)
Adjustments from translation of foreign controlled entities		-	-	-	-	(29,979)	-	(29,979)
Total comprehensive income for the period		-	-	(250,317)	-	(29,979)	-	(280,296)
Employee benefit expense		-	-	-	-	-	6,081	6,081
Dividends paid or provided for		-	-	-	-	-	-	-
Balance at 31 December 2009		15,978,000	1,178,000	(12,257,484)	37,941	(57,155)	18,255	4,897,557

The accompanying notes form part of these financial statements.

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Condensed Consolidated Statement of Cash Flows**For the Half-Year ended 31 December 2009**

	Consolidated 2009	2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	2,845,926	1,773,658
Payments to suppliers and employees (inclusive of GST)	(2,937,802)	(1,994,373)
Interest received	5,328	16,973
Finance costs	-	-
Income tax paid	(3,832)	(4,579)
Net cash from / (used in) operating activities	<u>(90,380)</u>	<u>(208,321)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets	(25,033)	(30,136)
Proceeds from sale of non-current assets	1,146	-
Net cash from / (used in) investing activities	<u>(23,887)</u>	<u>(30,136)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	-
Loans to controlled entities	-	-
Proceeds from issue of shares	-	-
Dividends paid	-	-
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(114,267)	(238,457)
Effect of exchange rates on cash holdings in foreign currencies	(32,261)	208,162
Cash at the beginning of the period	1,320,512	1,820,556
Cash at the end of period	<u><u>1,173,984</u></u>	<u><u>1,790,261</u></u>

The above cash flow statement should be read in conjunction with the accompanying notes.

CCK Financial Solutions Ltd and Controlled Entities

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Notes to the Condensed Financial Statements

1. *Basis of Preparation*

These general purpose financial statements for the interim half-year reporting period ended 31 December 2009 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of CCK Financial Solutions Ltd and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2009, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

Accounting Standards not previously applied

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

the replacement of income statement with statement of comprehensive income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the statement of changes in equity;

the adoption of the separate income statement/single statement approach to the presentation of the statement of comprehensive income;

other financial statements are renamed in accordance with the Standard; and

presentation of a third statement of financial position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments

These statements are in accordance with AASB 8 Segment Reporting. The company's single operating segment is the provision of treasury and risk management software and related services which are not separately identifiable.

CCK Financial Solutions Ltd and Controlled Entities

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2. *Contingent liabilities*

The contingent liabilities detailed in Note 24 of the 30 June 2009 annual report remain the same at 31 December 2009.

Through reseller agreements, CCK entered a contract with its Taiwanese partner APFC Ltd in April 2009 for the implementation of the Company's product at Kuo Hua Life (KHL) in Taiwan. On 5 August 2009, a Taiwanese government spokesperson announced that KHL was officially taken over on the instructions of the Financial Supervisory Commission. The spokesperson stated KHL will continue its daily operations and honour the right of policyholders while KHL's assets were restructured and a recapitalisation plan instituted over a period of nine months. CCK and APFC are continuing to discharge their obligations pursuant to the contract at KHL. As there is no confirmation at balance date as to the project continuing, the Company has created a provision for impairment at the period end for the potential estimated net impact resulting in the event the contract is not honoured by KHL. The expense recorded in the income statement of the consolidated entity is \$135,333.

3. *Subsequent events*

On 3 February 2010, the Company announced that it had signed a contract with PT Bank Pan Indonesia Tbk (PaninBank) in Indonesia for the acquisition of Guava Suite, CCK's treasury management and wholesale banking system. Guava will be used to manage Panin's entire treasury operation, covering dealing, risk management, settlement, accounting and reporting.

On 5 February 2010, The Company announced the appointment of Gregory Russell Major as a director of CCK Financial Solutions Ltd.

No other matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in subsequent financial years.

4. *Share-based payments*

There were no share-based payments this period. The cost of \$6,081 was recorded in the employee benefits expense in the income statement during the period relating to options granted to employees on 4 November 2008.

CCK Financial Solutions Ltd and Controlled Entities

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5. *Operating Segments*

The Company has identified only one operating segment based on the internal reports that are reviewed and used by the executive directors (chief operating decision makers) in assessing and determining the allocation of resources.

The Company's sole operating segment is the provision of treasury and risk management software and related services.

(a) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	For the six months ended 31.12.09	For the six months ended 31.12.08
	\$	\$
Australia	973,906	1,118,533
Malaysia/Singapore	483,130	627,202
Philippines	393,673	449,966
Indonesia	236,509	-
PNG	42,548	40,293
Total revenue	2,129,766	2,235,994

(b) Assets by geographical region

The location of segment assets is disclosed below by geographical location of assets:

	For the six months ended 31.12.09	For the six months ended 31.12.08
	\$	\$
Australia	4,171,566	4,491,677
Malaysia	431,080	561,047
Philippines	294,901	119,048
Total Assets	4,897,547	5,171,772

CCK Financial Solutions Ltd and Controlled Entities

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Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes set out on pages 7 to 13, are in accordance with the Corporations Act 2001 including:
 - (a) complying with Accounting Standard AASB 134 Interim Financial Reporting; and
 - (b) giving a true and fair view of the consolidated entity's as at 31 December 2009 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

THIS DECLARATION IS MADE IN ACCORDANCE WITH A RESOLUTION OF THE BOARD OF DIRECTORS



JOSEPH WONG
MANAGING DIRECTOR

DATED at PERTH this 25th day of February, 2010

10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

**Independent Auditor's Review Report
To the Members of CCK Financial Solutions Limited**

We have reviewed the accompanying half-year financial report of CCK Financial Solutions Limited ("Company"), which comprises the consolidated financial statements being the condensed consolidated statement of financial position as at 31 December 2009, and the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's 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 and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 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 CCK Financial Solutions 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 complied with the independence requirements of the Corporations Act 2001.

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 CCK Financial Solutions 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 2009 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.



GRANT THORNTON AUDIT PTY LTD



M J Hillgrove
Director - Audit & Assurance Services

Perth, 25 February 2010