



# Australian Finance & Leasing Limited

The following information has been extracted from the audited financial statements of Australian Finance & Leasing Ltd for the 12 months ended 30<sup>th</sup> June 2008.

## Statement of Financial Position

	30 <sup>th</sup> June 2008
	\$
<b>ASSETS</b>	
Cash	\$2,654,575
Loans and Advances	\$12,570,129
Goodwill	\$924,413
Other Assets	\$1,059,103
<b>TOTAL ASSETS</b>	<b>\$17,208,220</b>
<b>LIABILITIES</b>	
Debentures – Secured	\$14,035,044
Accounts Payable & Other Liabilities	\$324,294
<b>TOTAL LIABILITIES</b>	<b>\$14,359,338</b>
<b>NET ASSETS</b>	<b>\$2,848,882</b>
<b>SHAREHOLDER EQUITY</b>	
Share Capital	\$2,952,382
Retained Earnings/(Accumulated Losses)	(\$103,500)
<b>TOTAL SHAREHOLDER EQUITY</b>	<b>\$2,848,882</b>

## Income Statement

	12 months ended
	30 <sup>th</sup> June 2008
	\$
<b>REVENUE</b>	
Interest and similar income	\$2,968,880
Fee and commission income	\$271,157
Bad debts recovered	\$252,170
	<b>\$3,492,207</b>
<b>LESS EXPENDITURE</b>	
Interest expense and similar charges	\$1,542,397
Impairment losses on loans	\$481,167
Employee benefits	\$632,970
Depreciation and amortisation	\$24,291
Loss on disposal of plant & equipment	\$20,435
General administration expenses	\$493,948
	<b>\$3,199,011</b>
Profit before income tax	\$293,196
Income tax	\$310,804*
<b>OPERATING PROFIT AFTER TAX</b>	<b>\$604,000</b>
Opening retained earnings	(\$325,000)
Dividends paid	\$382,500
Retained Earnings	(\$103,500)

\*During the course of the year an error was identified in the Company's future income tax liability resulting from timing differences associated with the recognition of income in respect of finance lease. This resulted in a write back of provision for taxation made in past years.

*Note: This advice does not form part of our attached prospectus. It contains information that was not available when the prospectus was prepared and is provided to more fully inform intending investors regarding the Company's financial position.*

Australian Finance & Leasing Limited (ACN 080 524 689)

Holder of Australian Financial Services Licence 303751 to operate AF&L Direct Mortgage Fund (ARSN 125 042 480)

PO Box 3038, Auburn 3123

Telephone: (03) 9810 9500

Facsimile: (03) 9818 0744

e-mail: info@afal.com.au