MONEY3 CORPORATION LIMITED

ABN: 63 117 296 143

Annual Financial Report
for the Year Ended 30 June 2007

Corporate Information

Corporate Information

Money3 Corporation Limited is a company incorporated and domiciled in Australia.

Company Directors

Bettina Evert BA LLB MAICD	Non Executive Chairman (from 28 February 2006)
Robert James Bryant	Executive Director (from 25 November 2005)
Kang Hong Tan ACA(UK) PNA(Aust)	Executive Director (from 25 November 2005)
Christopher James Baldwin CPA	Non Executive Director (from 25 November 2005)

Chief Executive Officer

Mr John E Morris, appointed 6 August 2007

Company Secretary

Mr Christopher James Baldwin

Financial Period

This Annual Report covers the year ended 30 June 2007. The Company was incorporated on 25 November 2005 and accordingly the comparative figures for the Company cover the period from incorporation to 30 June 2006.

Comparative information included in the consolidated financial statements, including the consolidated results and financial position, are that of Money3 Glenroy, as that entity has been deemed to be the accounting acquiring entity under reverse acquisition accounting under A-IFRS – refer Note 21.

Registered Office

Level 1, 373-375 St Georges Road
North Fitzroy Victoria 3068
Telephone: (03) 9300 2955
Facsimile: (03) 9300 4155

Solicitors

Fetter Gdanski Lawyers
Level 11, 555 Lonsdale Street
Melbourne Victoria 3000

Middletons
Level 25, Rialto South Tower
525 Collins Street
Melbourne Victoria 3000

Banker

National Australia Bank
Level 1, 381 Wyndham Street
Shepparton Victoria 3630

Share Registry

Link Market Services Limited
Level 9, 333 Collins Street
Melbourne Victoria 3000

Auditors

PKF
Chartered Accountants
Level 14,
140 William Street
Melbourne Victoria 3000

Contents

Chairman's Report

This year has been a year of consolidation and a year of commencement. The listing of the company occurred on 19 October 2006 after months of hard work by the Board, the Company's advisers and the staff.

In accordance with plans prior to listing, three new branches have been opened since listing :

- Dandenong in November 2006;
- Reservoir in November 2006; and
- Ballarat in March 2007.

New loan products including the introduction of larger secured loans to the customers of the Company and a wider broker network have also commenced this year.

The Board has worked hard this year reviewing the operations of the Company and its subsidiaries. After 8 months of trading as a public company, the Board appointed a new Chief Executive Officer, John Morris. The experience John has gathered over 30 years in the consumer finance industry will be an invaluable source for the successful expansion of Money3. John has already commenced streamlining various aspects of the Company's operations and implementing key strategic changes. These changes together with what was already done by the previous CEO who remains as an executive director and CFO, are part of the ongoing strategy of sensible growth for the Company.

A fully franked interim dividend of 1.3 cents per share was paid on 30 March 2007. A final fully franked dividend of 3 cents per share will be paid on 30 November 2007. These results are indicative of the success of the company's first year after listing.

Yours sincerely

Bettina Evert
Chairman
28 September 2007

Corporate Governance Statement

Corporate governance refers to the system by which companies are directed and managed. It influences how the objectives of a company are set and achieved, how risk is monitored and assessed, and how performance is optimised. What constitutes good corporate governance will evolve with the changing circumstances of a company and must be tailored to meet those circumstances.

On 31 March 2003 the ASX Corporate Governance Council (Council) released its guidelines in relation to corporate governance, entitled "Principles of Good Corporate Governance and Best Practice Recommendations". This document articulated 10 core principles and 28 best practice recommendations that the Council believes underlie good corporate governance and included guidelines to assist companies in complying with the principles and best practice recommendations.

The board of directors of Money3 Corporation Limited (Board) supports the core principles and best practice recommendations published by the Council.

The Board consists of two executive and two non-executive directors. The non-executive directors, being Ms Bettina Evert and Mr Christopher Baldwin, are independent, notwithstanding the existence of certain relationships as listed in Box 2.1 of Principle 2 of Good Corporate Governance and Best Practice Recommendations.

Ms Bettina Evert is a director of Fetter Gdanski Pty Ltd which has in the past provided legal services to the Company and subsidiaries. Except for the IPO services, fees for each of the last three years has not exceeded $10,000. Since listing on ASX, the Company's legal affairs are handled by Middletons.

Mr Christopher Baldwin is a partner of Brown Baldwin which has in the past provided accounting services to the Company and subsidiaries. Brown Baldwin continues to provide taxation and statutory secretarial services to the Company and the annual fees is estimated to be $25,000 per annum. Mr Baldwin also holds a significant number of securities in the Company but is not a substantial shareholder as defined in section 9 of the Corporations Act.

Money3 Corporate Governance Policy and Charters

Money3 has adopted the following Corporate Governance charters:

- Board Charter
- Trading Charter
- Audit Charter
- Board Nomination Charter
- Board Remuneration Charter
- Supplementary policies (including code of conduct)

Each of the above charters as adopted by the Board are outlined below.

Board Charter

The Board is responsible for setting the strategic direction of the Company and for overseeing and monitoring its businesses and affairs. Directors are accountable to the shareholders for the Company's performance. The Board's overriding objective is to increase shareholder value within an appropriate framework that protects the rights and enhances the interests of all shareholders, whilst ensuring that the Company is properly managed.

The functions of the Board include:

- setting overall financial goals for the Company;
- approving strategies, objectives and plans for the Company's businesses to achieve these goals;
- ensuring that business risks are identified and approving systems and controls to manage those risks and monitor compliance;

- approving the Company's major HR policies and overseeing the development strategies for senior and high performing executives;
- approving financial plans and annual budgets;
- monitoring financial results on an on-going basis;
- monitoring executive management and business performance in the implementation and achievement of strategic and business objectives;
- approving key management recommendations (such as major capital expenditure, acquisitions, divestments, restructuring and funding);
- appointing and removing the Managing Director and ratifying the appointment and removal of executives reporting directly to the Managing Director (senior executives);
- reporting to shareholders on the Company's strategic direction and performance including constructive engagement in the development, execution and modification of the Company's strategies;
- overseeing the management of occupational health and safety and environmental performance;
- determining that satisfactory arrangements are in place for auditing the Company's financial affairs;
- meeting statutory and regulatory requirements and overseeing the way in which business risks and the assets of the Company are managed.

Trading Charter

Trading charter imposes restrictions on share trading for directors, officers and employees and prohibits them from dealings in the Company's securities while in possession of sensitive inside information.

Audit Charter

The primary role of the Audit Committee is to monitor and review the effectiveness of the Company's control environment in the areas of operational risk, legal/regulatory compliance and financial reporting. It will advise and assist the Board to discharge its responsibility to exercise due care, diligence and skill in relation to:

- reporting of financial information to users of financial reports, in particular the quality and reliability of such information;
- assessing the consistency of disclosures in the financial statements with other disclosures made by the Company to the financial markets, governmental and other public bodies;
- review and application of accounting policies;
- financial management;
- review of internal and external audit reports to ensure that where weaknesses in controls or procedures have been identified, appropriate and prompt remedial action is taken by management;
- evaluation of the Company's compliance and risk management structure and procedures, internal controls and ethical standards;
- review of business policies and practices;
- conduct of any investigation relating to financial matters, records or accounts, and to report those matters to the Board;

- protection of the Company's assets; and
- compliance with applicable laws, regulations, standards and best practice guidelines.

Board Nomination Charter

The primary purpose of the Nomination Committee is to support and advise the Board in fulfilling its responsibilities to shareholders in ensuring that the Board is appropriately structured and comprised of individuals who are best able to discharge the responsibilities of directors by:

- assessing the size, composition, diversity and skills required by the Board to enable it to fulfil its responsibilities to shareholders, having regard to the Company's current and proposed scope of activities;
- assessing the extent to which the required knowledge, experience and skills are represented on the Board;
- establishing processes for the identification of suitable candidates for appointment to the Board;
- overseeing succession planning for the Board and CEO;
- establishing processes for the review of the performance of individual directors and the Board as a whole; and
- assessing the terms of appointment and remuneration arrangements for non-executive directors.

Board Remuneration Charter

The primary purpose of the Remuneration Committee is to support and report to the Board in fulfilling their responsibilities to shareholders in relation to:

- executive remuneration policy;
- the remuneration of executive directors;
- the remuneration of persons reporting directly to the managing director, and as appropriate, other executive directors;
- the Company's recruitment, retention and termination policies and procedures;
- superannuation arrangements; and
- all equity based plans.

Supplementary policies – Code of Conduct

The Company's Code of Conduct consists of the following principles: -

- The Company will conduct its business operations with full regard and compliance with all legal obligations of the Company.
- The Company's employees, contractors and agents:
  - will strive to the utmost of their abilities to deliver quality services to meet our customers' needs and treat our customers with respect, courtesy and a caring attitude toward their business requirements;
  - will present themselves in a fit and tidy condition for work and be fully equipped to perform their work safely and competently;

  - will, when working for customers, adhere to all workplace and occupational health and safety requirements, work instructions and directives and will refrain from any irresponsible, negligent or unsafe actions or work;

  - are expected to work in a supportive and cooperative manner, and the Company will not condone any form of harassment of fellow workers. All cases of harassment will be promptly resolved through counselling and conciliation processes; and

  - will not knowingly reveal confidential information, trade secrets or information concerning intellectual property or practices, which could be injurious to our customers or our own business interests.

- The Company encourages the reporting of unlawful/unethical behaviour by its directors, employees, contractors and agents and will actively promote ethical behaviour and protection for those who report violations in good faith.

- The Company encourages individuals to join appropriate organisations and associations that can effectively represent their work interests.

- The Company will communicate the code of conduct to all its employees, contractors and agents.

Supplementary policies – Disclosure

The Board is aware of its continuous disclosure obligations in respect of material information, and embraces the principle of providing access to that information to the widest audience.

To ensure that these principles are appropriately actioned, the Board has nominated the Company Secretary as having responsibility for:

- ensuring that the Company complies with continuous disclosure requirements;

- overseeing and co-ordinating disclosure of information to ASX, analysts, brokers, shareholders, the media and the public; and

- educating directors and staff on the Company's disclosure policies and procedures and raising awareness of the principles underlying continuous disclosure.

To safeguard against inadvertent disclosure of price sensitive information, the Board has agreed to keep to a minimum the number of directors and staff authorised to speak on the Company's behalf. In order of precedence, the following combinations of officers have authority to speak on behalf of the Company without the prior approval of the Board:

- the Chairman and/or the Managing Director, separately, then

- the Chairman and a non-executive director, jointly, then

- any 2 non-executive directors and the Managing Director, jointly (by majority), and then

- in extreme circumstances, any 2 directors, jointly.

These officers are also authorised to clarify information that the Company has released publicly through the ASX, but must avoid commenting on other price sensitive matters.

The Company has determined that the Company Secretary must be made aware of any information disclosures in advance, including information to be presented at private briefings. This will minimise the risk of breaching the continuous disclosure requirements.

The Company Secretary is responsible for:

- ensuring that the Chairman and the Managing Director are aware of all sensitive information that may be required by the ASX Listing Rules and the law to be publicly released through the ASX before disclosing it to any person, including analysts and others outside the Company;

- ensuring that all information released through the ASX is promptly made available to its bankers and other parties to whom it has a similar reporting responsibility;

- the further dissemination of information, after it has been released through the ASX, to investors and other interested parties;

- posting such information on the Company's website immediately after the ASX confirms that it has received such announcements;

- reviewing all briefings and discussions with media representatives, analysts and major shareholders, to check whether any price sensitive information has been inadvertently disclosed. If so, to immediately announce the information through the ASX.

Responses to enquiries from market analysts are to be confined to errors in factual information and underlying assumptions. Earnings expectations are to be managed by using the continuous disclosure regime and any change to expectations is to be made by ASX announcement before commenting to anyone outside the Company.

ASX Best Practice Recommendations

The table below contains each of the ASX Best Practice Recommendations. Where the Company considered it was not appropriate to comply with a particular recommendation, the Company's reasons are set out on the corresponding note at the end of this table.

No.	Best Practice Recommendations	Complied	Note
1.1	Formalise and disclose the functions reserved to the board and those delegated to management	Yes	
2.1	A majority of the board should be independent directors.	No	1
2.2	The chairman should be an independent director.	Yes	
2.3	The role of chairperson and chief executive officer should not be exercised by the same individual.	Yes	
2.4	The board should establish a nomination committee.	Yes	
2.5	Provide the information indicated in Guide to reporting on Principle 2.	Yes	
3.1	Establish a code of conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to:		
	3.1.1 the practices necessary to maintain confidence in the company's integrity	Yes	
	3.1.2 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Yes	
3.2	Disclose the policy concerning trading in company securities by directors, officers and employees.	Yes	
3.3	Provide the information indicated in Guide to reporting on Principle 3.	Yes	
4.1	Require the chief executive officer (or equivalent) and the chief financial officer (or equivalent) to state in writing to the board that the company's financial reports present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards.	Yes	
4.2	The board should establish an audit committee.	Yes	
4.3	Structure the audit committee so that it consists of:		
	• only non-executive directors	Yes	
	• a majority of independent directors	Yes	
	• an independent chairperson, who is not chairperson of the board	Yes	
	• at least three members.	No	2
4.4	The audit committee should have a formal charter.	Yes	
4.5	Provide information indicated in the Guide to reporting on Principle 4	Yes	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	Yes	
5.2	Provide the information indicated in Guide to reporting on Principle 5.	Yes	
6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.	Yes	
6.2	Request the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the	Yes	
7.1	The board or appropriate board committee should establish policies on risk oversight and management.	Yes	
7.2	The chief executive officer (or equivalent) and chief financial officer (or equivalent) should state to the board in writing that:		

No.	Best Practice Recommendations	Complied	Note
	7.2.1 the statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board	Yes	
	7.2.2 the company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.	Yes	
7.3	Provide the information indicated in Guide to reporting on Principle 7.	Yes	
8.1	Disclose the process for performance evaluation of the board, its committees and individual directors, and key executives.	Yes	
9.1	Provide disclosure in relation to the company's remuneration policies to enable investors to understand (i) the costs and benefits of those policies and (ii) the link between remuneration paid to directors and key executives and corporate performance.	Yes	
9.2	The board should establish a remuneration committee.	Yes	
9.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Yes	
9.4	Ensure that payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders.	Yes	
9.5	Provide the information indicated in Guide to reporting on Principle 9.	Yes	
10.1	Establish and disclose a code of conduct to guide compliance with legal and other obligations to legitimate stakeholders.	Yes	

Note 1 – The Company has 4 directors, 2 are independent non-executive directors.

Note 2 – The Audit Committee consists of 2 independent non-executive directors.

The directors are of the opinion that given the Company's current size and the nature of its operations, the appointment of additional independent non-executive directors to meet the ASX's best practice recommendation, at this early stage, will impose unwarranted additional expenses and administrative burden. The directors are of the belief that Ms Evert being a director of Fetter Gdansk Pty Ltd (lawyers) and Mr Baldwin a partner of Brown Baldwin (Accountants) are suitably qualified in performing the functions of the audit committee.

Directors' Report

The directors present the annual financial report on the consolidated entity, consisting of Money3 Corporation Limited and the entities it controlled at the end of, or during the year ended 30 June 2007. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS' DETAILS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Bettina Evert BA LLB MAICD - Chairman and Non-Executive Director (Appointed on 28 February 2006)

Bettina is a director of Fetter Gdanski Pty Ltd, a commercial law practice established in 1995 and has been either a director or a partner of that firm since 1997. She is highly experienced in commercial law and litigation. She was, prior to commencing at Fetter Gdanski, a senior solicitor on the work-out team after the collapse of the Tricontinental Bank in 1991 and worked as a senior solicitor at Telstra Corporation advising senior management in relation to corporate governance. Prior to joining Fetter Gdanski in 1996 Bettina was a director of Deloitte Touche Thomatsu. Bettina is currently Deputy Chair of the Law Institute of Victoria, Executive Committee, Litigation Section, the Chair of the Courts Practice Committee of the Law Institute of Victoria and a lay member of the CPA Australia Disciplinary Committee which hears professional disciplinary matters relating to members of CPA Australia.

Robert James Bryant – Former Chief Executive Officer (from 1 July 2006 to 6 August 2007)
Executive Director (Appointed on 25 November 2005)

Robert has been a company director since July 1995 and is the major shareholder in Money3. Before entering the financial services industry in May 2000 he was predominantly involved in agricultural related industries for over 25 years. The shift to financial services in 2000 saw Robert commence a small cash loans franchise in Victoria.

Robert's responsibilities included steering the formation of the Company, management and governance, regulation and compliance, expansion and public and government relations.

Kang Hong Tan ACA (UK) PNA (Aust) – Chief Financial Officer (Appointed on 1 July 2006)
Executive Director (Appointed on 25 November 2005)

Kang has been a member of the Institute of Chartered Accountants in England and Wales since 1983, and the National Institute of Accountants in Australia since 1998. Kang spent 10 years as an Accountant with La Trobe University Union and spent 7 years as an owner operator of a Pizza Haven franchise in Thornbury, Victoria. Before coming to Australia, Kang was the Group Financial Controller of Tanming Corporation Berhad for 4 years.

Christopher James Baldwin CPA – Company Secretary and Non-Executive Director (Appointed on 25 November 2005)

Christopher commenced work in 1960 for public accountants and has continued his accounting professional work in taxation, business and consultancy in Shepparton as a principal and currently heads the public accounting practice of Brown Baldwin in Shepparton and Melbourne. Christopher has extensive experience in business matters, including taxation and accounting.

None of the Company's Directors have held directorships in other listed companies during the past 3 years.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the year were providing financial services specialising in the delivery of small cash loans, personal loans, cheque cashing and international money transfer. The company made various business combinations during the year and details are contained in the review and results of operations section in this annual financial report. There has been no significant change in nature of principal activities during the financial year.

DIVIDENDS

The Company paid a fully franked interim dividend of 1.3 cents per share on 30 March 2007.

On 25 September 2007, the directors declared a fully franked final dividend of 3 cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 30 June 2007, to be paid to shareholders on 30 November 2007. The dividend will be paid to shareholders on the Register of Members on 16 November 2007. This dividend has not been included as a liability in these financial statements.

Directors' Report (continued)

RESULTS OF OPERATIONS

The consolidated net profit after tax for the year was $1,212,121 (2006 $295,198).

Total number of loans processed for the year was 33,662 for total loans of $16.5M.

REVIEW OF OPERATIONS

On 1 July 2006 the Company acquired 9 Money3 Trading Companies. The Money3 Trading Companies provide financial services across Melbourne and Geelong, primarily specialising in small cash loans and personal loans between $100 and $5,000, cheque cashing and international money transfer.

On 7 August 2006 the Company issued a prospectus to raise a minimum of $2.25million with the ability to accept over-subscriptions of up to a further $2.25 million at a price of 90 cents per share. Under the prospectus the Company also offered to employees the opportunity to subscribe for shares in the Company of up to $100,000 at a price of 50 cents per share. Both offers closed on 6 October 2006 over-subscribed. The Company, having satisfied all of the Australian Stock Exchange (ASX) requirements for admission to the Official List of the ASX, was listed on 19 October 2006. In a new and challenging environment the Board is pleased with the results generated in the year of transition. The results are in line with the Prospectus dated 7 August 2006 and the Board is confident in its plans for future growth.

As stated in the Prospectus three new branches were to be opened with proceeds from the Capital Raising, and the balance used for working capital and increasing the Loan Book. Two of the new branches, Money3 Reservoir and Money3 Dandenong were opened in November 2006 while the third, Money3 Ballarat was opened in March 2007.

One off expenses as a result of the Listing such as the Discounted Employee Share Purchase ($80,000), extra advertising ($100,000) to launch new loan products and the opening of new branches ($40,000) had an obvious impact on profit as well.

CHANGE IN THE STATE OF AFFAIRS

During the financial year, there was no significant change in the state of affairs of the consolidated entity other than the assets and business acquisitions referred to in the review and results of operations sections in the financial statements and notes thereto.

SUBSEQUENT EVENTS

Dividends
On 25 September 2007, the directors declared a fully franked final dividend of 3 cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 30 June 2007, to be paid to shareholders on 30 November 2007. The dividend will be paid to shareholders on the Register of Members on 16 November 2007. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is $818,250.

New Chief Executive Officer
On 6 August 2007 Mr John E. Morris was appointed as Chief Executive Officer. John has almost 30 years experience in the Consumer Finance Industry, initially with Avco Financial Services and continuing with GE Money (formerly GE Finance) after they acquired AVCO. He progressed through these companies, from Branch Management, National training manager and other senior management roles in Sydney, Melbourne and New Zealand. Between 1992 - 2001 he held the position of General Manager of AVCO/GE branch network in Vic, Tas, SA, WA and NZ encompassing over 80 branches, 350 employees and a loan book in excess of $750m.

John was successful in generating profitable growth in the consumer loan and insurance portfolio organically and from branch expansion and business acquisition. The Board believes that the experience John has gathered over the last 30 years will be an invaluable source for the successful expansion of Money3.

Former CEO Mr. Robert Bryant will continue as an executive director.

Other events
Other than disclosed above and elsewhere in the financial statements of the Company, no other matter or circumstances has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Company, the results or the state of affairs of the Company.

FUTURE DEVELOPMENTS

Disclosure of information, in addition to that provided in this report, regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

Directors' Report (continued)

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a state or territory.

SHARE OPTIONS

As at the date of this report, there were 2,000,000 unissued ordinary shares of Money3 Corporation Limited in respect of which there are options outstanding (2006: Nil options)

a) Share options granted to directors and the five most highly remunerated executives

Details of share options granted during and since the end of the financial year to directors and executives of the company include:

Director and executives	Number of options granted	Issuing entity	Number of ordinary shares under option
Mr Robert Bryant	1,000,000	Money3 Corporation Limited	1,000,000
Mr Kang Hong Tan	1,000,000	Money3 Corporation Limited	1,000,000

b) Share options on issue at year end or exercised during the year

Details of unissued ordinary shares in Money3 Corporation Limited under option at the date of this report are:

Issuing entity	Type	Number of shares under option	Exercise Price	Expiry Date
Money3 Corporation Limited	Director options	2,000,000	$1.20	30 June 2011

Each share option converts into one ordinary share of Money3 Corporation Limited on exercise. The options carry neither rights to dividends nor voting rights.

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS

During the year ended 30 June 2007, a total of nil (2006: nil) fully paid ordinary shares were issued by Money3 Corporation Limited as a result of the exercise of options for a consideration of $nil (2006: $nil). No options have been exercised since the end of the year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has not otherwise, during or since the end of the financial year,

- Indemnified or agreed to indemnify an officer or auditor of the Company or any related body corporate against a liability, including costs and expenses in successfully defending legal proceedings, as an officer or auditor.

- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

The Company has not taken out any insurance during or since the end of the year in respect of any person who is or has been a director.

Directors' Report (continued)

DIRECTORS' MEETING

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, there were 10 Board meetings and 2 Audit Committee meetings held. No meetings of the Nominations and Remuneration Committees were held during the year.

Director	**Board meeting**		**Audit Committee**	
	Held	Attended	Held	Attended
Bettina Evert	10	10	2	2
Robert Bryant	10	10	2	2
Kang Hong Tan	10	10	2	2
Christopher Baldwin	10	10	2	2

DIRECTOR'S SHAREHOLDING

The following table sets out each director's relevant interest in shares or options in shares of the Company or a related body corporate as at the date of this report or the date of resignation.

Director	**Ordinary Shares**	**Partly paid ordinary shares**	**Type Of Option**	**Options over Ordinary Shares**
Bettina Evert	3,000	-	-	-
Robert Bryant	8,131,625	-	Director	1,000,000
Kang Hong Tan	4,638,125	-	Director	1,000,000
Christopher Baldwin	767,125	-	-	-

Remuneration Report

This report outlines the remuneration arrangements in place for directors and executives of Money3 Corporation Limited.

REMUNERATION PHILOSOPHY

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

To that end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Focus on creating sustained shareholder value;
- Significant portion of executive remuneration "at risk", dependent upon meeting predetermined performance benchmarks; and
- Differentiation of individual rewards commensurate with contribution to overall results and according to individual accountability, performance and potential.

During 2007, a review of the reward structures has been conducted against the backdrop of these philosophies and against the Company's growth strategies and corporate governance principles. As a result, a number of changes are planned to be incorporated into future remuneration arrangements for both new and existing directors and executives.

The Remuneration Committee is responsible for determining and reviewing compensation arrangements for the directors, chief executive officer (CEO) and the senior management team. The committee assesses the appropriateness of the nature and amount of remuneration of directors and senior managers 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 board and executive team.

REMUNERATION STRUCTURE

In line with best practice corporate governance, the structure of non-executive director, executive director and senior manager remuneration is separate and distinct.

Directors' Report (continued)

NON-EXECUTIVE DIRECTOR REMUNERATION

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability 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 current approved aggregate remuneration is $200,000.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The board considers any advice received from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each director receives a fee for being a director of the Company and is entitled to be paid an additional fee for each Board Committee on which the director sits. The entitlement to the additional fees for serving on a committee recognises the additional time commitment required by directors in discharging their responsibilities to the board.

SENIOR MANAGEMENT AND EXECUTIVE DIRECTOR REMUNERATION

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Reward executives for the company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of executives with those of shareholders;
- Link reward with the strategic goals and performance of the company; and
- Ensure total remuneration is competitive by market standards.

The executive remuneration program is designed to support the Company's reward philosophies and to underpin the Company's growth strategy. The program comprises the following components:

- Fixed remuneration component
- Variable remuneration component including short term incentive (STI) and long term incentive (LTI)

Fixed remuneration
The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

Variable remuneration – short term incentive (STI)
The objective of the STI program is to link the achievement of the Company's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the senior manager to achieve the operational targets and such that the cost to the Company is reasonable.

Actual STI payments granted to each senior manager depend on the extent to which specific operating targets set at the beginning of the year is met. The operational targets consist of a number of Key Performance Indicators (KPIs) covering both financial and non-financial measures of performance. Typically included are measures such as contribution to revenue, net profit after tax, customer service, risk management, product management, leadership and team contribution. The Company has predetermined benchmarks, which must be met in order to trigger payments under the short-term incentive scheme.

On a quarterly basis, after consideration of performance against KPIs, the Board approves an overall performance rating for the Company. The individual performance of each executive is also rated and taken into account when determining the amount, if any, of the short term incentive pool allocated to each executive. The aggregate of annual STI payments available for executives across the Company are usually delivered in the form of a cash bonus.

Directors' Report (continued)

Variable remuneration – long term incentive (LTI)
The objective of the LTI plan is to reward senior managers in a manner, which aligns this element of remuneration with the creation of shareholder wealth. As such, LTI grants are only made to executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the Company's performance against relevant long term performance hurdle. LTI grants to executives are delivered in the form of options or shares. In the 2007 year, an issue of 2,000,000 (2006: Nil) options was made to directors and executives. No issue of shares was made in 2007 (2006: nil) under the LTI plan.

CONTRACT OF EMPLOYMENT

All executives of the Company are employed under a letter of appointment with a minimum 1 month (or otherwise mutually agreed time period) notice period required to terminate the appointment. The letters of appointment do not contain specified option incentive entitlements.

RELATIONSHIP BETWEEN REMUNERATION POLICY AND COMPANY PERFORMANCE

As the company listed in the 2007 financial year, remuneration paid to key management personnel has been set at a level to attract and retain appropriately skilled persons. Options issued to executive directors have been granted in consideration of their efforts in relation to the IPO and to drive continuing performance.

DETAILS OF REMUNERATION

The key management personnel of Money3 Corporation Limited includes the directors, as per page 11, and the following five executives of the entity as follows:

- Ms Bettina Evert — Non-Executive Chairman (from 28 February 2006)
- Mr Robert Bryant — Executive Director (from 25 November 2005), CEO (from 1 July 2006 to 6 August 2007)
- Mr Kang Hong Tan — Executive Director (from 25 November 2005)
- Mr Christopher Baldwin — Non Executive Director (from 25 November 2005)
- Mr John Morris — Chief Executive Officer (from 6 August 2007)

Subsequent to the reporting period, on 6 August 2007, Mr John E Morris was appointed as Chief Executive Officer of the Company and he received no remuneration during the 30 June 2007 financial year.

The key management personnel of the consolidated entity are the same as that of Money3 Corporation Limited.

The compensation of each member of the key management personnel of the consolidated entity is set out below:

	Short term employee benefits		Post employment benefits	Other long term benefits	Share based payment	Total
	Salary & fees $	Bonus $	Superannuation $	$	Options $	$
2007						
B. Evert	28,453	-	2,700	-	-	31,153
R. Bryant	160,000	-	13,500	-	57,868	231,368
Kang Tan	160,000	-	13,500	-	57,868	231,368
C. Baldwin	30,000	-	2,700	-	-	32,700
Total	**378,453**	**-**	**32,400**	**-**	**115,736**	**526,589**

VALUE OF OPTIONS

The value of options is determined at grant date using the Binomial Option Pricing Model taking into account factors including exercise price, expected volatility and option life and is included in remuneration on a proportion basis from grant date to vesting date.

Directors' Report (continued)

Value of options issued to directors and key management personnel

The following table discloses the value of options granted, exercised or lapsed during the year:

Directors	Options Granted Value at grant date $	Options exercised Value at exercise date $	Options lapsed Value at time of lapse $	Total value of options, granted, exercised and lapsed $	Percentage of total remuneration for the year that consists of options %	Proportion of option remuneration: Performance related %	Proportion of option remuneration: Non_ performance related %
R. Bryant	250,000	-	-	250,000	25%	Nil	100%
K. Tan	250,000	-	-	250,000	25%	Nil	100%

Options granted during the financial year are not related to performance of the company as they are granted in consideration of their efforts in relation to the IPO and as an incentive to drive the continuing performance of the Company. Share based payments (options) issued to Mr Bryant and Mr Tan during the 2007 financial year vest over 3 years. The total fair value of these options on grant date were $500,000. As these payments over 3 years a pro-rata amount of $115,736 has been recorded as an expense in the 2007 financial year in accordance with AASB2.

SHARE BASED COMPENSATION

Options
Options are granted under the Money3 Corporation Limited's Director and Employee Share Option Plan. Options are granted under the plan for no consideration. The board meets to determine eligibility for the granting of options, and to determine the quantity and terms of options that will be granted.

The valuations of options are independently determined by independent experts using Binomial option pricing model taking into account the terms and conditions upon which the instruments were granted.

The following table disclose terms and conditions of each grant of options provided as compensation in the previous, this or future reporting periods of key management personnel are as follows:

Key management person	Number in period: Vested	Number in period: Granted	Grant date	Expiry date	Exercise price	Fair value per option at grant date	Date exercisable
Robert Bryant	-	1,000,000	1 July 2006	30 June 2011	$1.20	$0.25	19 October 2009
Kang Hong Tan	-	1,000,000	1 July 2006	30 June 2011	$1.20	$0.25	19 October 2009

These options vest three years from the date of listing being 19 October 2009 or if an event occurs which gives rise to a change in control of the Company.

Share options carry no rights to dividends and no voting rights. In accordance with the terms of the share option schemes, options may be exercised at any time from the date on which they vest to the date of their expiry, subject to any additional specific requirements of the particular allocation.

Details of options over ordinary shares in the company provided as remuneration to each director of Money3 Corporation Limited and each of the key management personnel of the consolidated entity and company are set out below. When exercisable, each option is convertible into one ordinary share of Money3 Corporation Limited. Further information on the options is set out in Note 8 to the financial statements.

Directors and key management personnel of Consolidated entity and parent entity	Number of options granted during the year		Number of options vested during the year	
	2007	2006	2007	2006
Robert Bryant	1,000,000	-	-	-
Kang Hong Tan	1,000,000	-	-	-
Total	2,000,000	-	-	-

Options granted during the financial year are not related to performance of the company as they are granted in consideration of their efforts in relation to the IPO and as an incentive to drive the continuing performance of the Company.

Directors' Report (continued)

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court for leave to bring proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of these proceedings.

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

The directors are satisfied that the provision of non-audit services during the year, by the auditor (or any 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 following amounts were paid to or are payable for non-audit services provided by auditors:

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Amounts received or due and receivable by the auditors for:				
Other services in relation to the entity and any other entity in the consolidated entity – due diligence services related to acquisitions and to the IPO	185,875	-	185,875	23,000
Total paid for non-audit services	**185,875**	**-**	**185,875**	**23,000**

The directors' reasons for being satisfied that the provision of the non-audit services did not compromise the auditor independence requirements of the Act are:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit, Risk and Compliance Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 "Code of Professional Ethics' for Professional Accountants" issued by the Accounting Professional and Ethical Standards Board, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 19 of the financial report.

Signed in accordance with a resolution of the Directors

On behalf of the Directors

Bettina Evert
Chairman
Melbourne, 28 September 2007

Auditor's independence declaration

<to be inserted>

Independent audit report

<to be inserted>

Directors' Declaration

The directors declare that the financial statements and notes to the accounts:

(a) Comply with Accounting Standards, the Corporations Act 2001 and other mandatory professional reporting requirements; and

(b) Give a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2007 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date.

(c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(d) The directors have been given declarations by the Chief Executive Officer and the Chief Financial Officer, as required by Section295A of the Corporations Act 2001.

This statements is made in accordance with a resolution of the directors.

On behalf of the Directors

Bettina Evert
Chairman

Melbourne, 28 September 2007

Income Statement
for the year ended 30 June 2007

	Notes	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Revenue from continuing operations	2	**6,399,820**	**831,332**	**2,705,572**	**150,134**
Expenses from operating activities:					
Administration		605,314	11,263	386,497	181,385
Employment	3	2,109,306	221,265	1,529,324	-
Advertising		398,873	22,978	203,290	-
Occupancy costs		442,367	20,095	29,921	-
Bad debts		573,637	88,914	12,070	-
Depreciation & amortisation	3	190,371	19,174	17,145	4,270
Communication		134,645	6,879	16,893	-
Legal and professional		219,610	-	212,023	10,000
Interest expenses		10,568	5,367	-	-
Profit/(Loss) before income tax		**1,715,129**	**435,397**	**298,409**	**(45,521)**
Income tax expense	5	503,008	140,199	-	-
Profit/(Loss) for the period from continuing operations		**1,212,121**	**295,198**	**298,409**	**(45,521)**
Profit/(Loss) attributable to members of Money3 Corporation Limited		**1,212,121**	**295,198**	**298,409**	**(45,521)**
Earnings per share					
Basic earnings per share (cents)	6	4.71	-		
Diluted earnings per share (cents)	6	4.47	-		

The income statement is to be read in conjunction with the attached notes.

Balance Sheet
as at 30 June 2007

	Notes	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
ASSETS					
Current assets					
Cash and cash equivalents	9	893,328	114,077	283,659	6,800
Trade and other receivables	10	7,449,430	636,960	4,418,806	398,125
Other	11	62,459	72,583	40,760	127,362
Total current assets		**8,405,217**	**823,620**	**4,743,225**	**532,287**
Non current assets					
Trade and other receivables	10	660,420	-	371,176	-
Other	11	33,118	-	-	-
Property, plant & equipment	12	940,594	73,140	160,268	32,258
Intangibles	13	15,386,487	-	63,000	16,000
Deferred tax assets	5(e)	312,683	-	242,760	-
Investment in Subsidiaries	14	-	-	18,067,508	-
Total non current assets		**17,333,302**	**73,140**	**18,904,712**	**48,258**
Total assets		**25,738,519**	**896,760**	**23,647,937**	**580,545**
LIABILITIES					
Current liabilities					
Trade and other payables	15	427,100	115,112	803,500	176,046
Borrowings	17	34,037	-	-	450,000
Deferred revenue	18	1,988,763	143,106	514,729	-
Current tax payables	5(c)	743,604	140,199	-	-
Provisions	16	158,534	-	100,283	-
Total current liabilities		**3,352,038**	**398,417**	**1,418,512**	**626,046**
Non current liabilities					
Provisions	16	21,623	-	21,623	-
Total non current liabilities		**21,623**	**-**	**21,623**	**-**
Total liabilities		**3,373,661**	**398,417**	**1,440,135**	**626,046**
Net assets		**22,364,858**	**498,343**	**22,207,802**	**(45,501)**
EQUITY					
Issued capital	19	20,893,237	4	22,193,753	20
Share Option Reserve		115,736	-	115,736	-
Accumulated profit/(losses)	4	1,355,885	498,339	(101,687)	(45,521)
Total equity		**22,364,858**	**498,343**	**22,207,802**	**(45,501)**

The balance sheet is to be read in conjunction with the attached notes

Statement of Changes in Equity for the year ended 30 June 2007

CONSOLIDATED

	Attributable to equity holders of the parent			
	Issued Capital	**Retained Earnings**	**Share Option Reserves**	**Total**
	$	**$**	**$**	**$**
Opening balance 1 July 2005	4	629,141	-	629,145
Profit for the year	-	295,198	-	295,198
Dividend paid	-	(426,000)	-	(426,000)
At 30 June 2006	4	498,339	-	498,343
At 1 July 2006	4	498,339	-	498,343
Profit for the year	-	1,212,121	-	1,212,121
Issue of share capital for acquisitions	16,767,000	-	-	16,767,000
Issue of shares to the public	4,500,000	-	-	4,500,000
Issue of shares to employees	100,000	-	-	100,000
Discount on shares issued to employees	80,000	-	-	80,000
Share option reserve	-	-	115,736	115,736
Initial public offer costs	(796,527)	-	-	(796,527)
Transfer to deferred tax asset	242,760	-	-	242,760
Dividend paid	-	(354,575)	-	(354,575)
Closing balance as at 30 June 2007	**20,893,237**	**1,355,885**	**115,736**	**22,364,858**

COMPANY

	Attributable to equity holders of the parent			
	Issued Capital	**Retained Earnings**	**Share Option Reserves**	**Total**
	$	**$**	**$**	**$**
Opening balance 25 November 2005	20	-	-	20
Loss for the year	-	(45,521)	-	(45,521)
At 30 June 2006	20	(45,521)	-	(45,501)
At 1 July 2006	20	(45,521)	-	(45,501)
Profit for the year	-	298,409	-	298,409
Issue of share capital for acquisitions	18,067,500	-	-	18,067,500
Issue of share to the public	4,500,000	-	-	4,500,000
Issue of shares to employees	100,000	-	-	100,000
Discount on shares issued to employees	80,000	-	-	80,000
Share option reserve	-	-	115,736	115,736
Capital raising costs	(796,527)	-	-	(796,527)
Transfer to deferred tax asset	242,760	-	-	242,760
Dividend paid	-	(354,575)	-	(354,575)
Closing balance as at 30 June 2007	22,193,753	(101,687)	115,736	22,207,802

The statement of changes in equity is to be read in conjunction with the attached notes.

Cash Flow Statement
for the financial year ended 30 June 2007

	Notes	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Cash flows from operating activities					
Receipts from customers		6,318,428	829,942	161,487	112,009
Payments to suppliers and employees		(3,762,413)	(233,023)	(1,882,415)	(138,461)
Interest received		74,474	-	74,474	-
Interest paid		(10,568)	(5,367)	-	
Income tax paid		(151,758)	(144,895)	-	-
		2,468,163	446,657	(1,646,454)	(26,452)
(Increase) decrease in operating assets:					
Net funds advanced to customers for loans		(3,476,485)	(48,635)	(1,167,044)	-
Net cash provided by operating activities	20(b)	(1,008,322)	398,022	(2,813,498)	(26,452)
Cash flows from investing activities					
Payment for property, plant and equipment		(549,122)	(5,000)	(67,685)	(36,528)
Formation expense		-	-	-	(1,409)
Payment for Computer System		(47,000)	-	(47,000)	(16,000)
Payments for purchase of business		(666,622)	-	(8)	-
Dividend received from subsidiaries		-	-		-
Net cash provided by investing activities		(1,262,744)	(5,000)	(114,693)	(53,937)
Cash flows from financing activities					
Proceeds from share issue		4,600,000	-	4,600,000	20
Payments – IPO expenses		(723,696)	-	(723,696)	(72,831)
Inter company loans		-	(70,000)	133,321	(290,000)
Repayment of borrowings		(21,412)	(48,199)	-	-
Dividend paid		(354,575)	(426,000)	(354,575)	-
Repayment of Directors' loans		(450,000)	-	(450,000)	450,000
Net cash provided by financing activities		3,050,317	(544,199)	3,205,050	87,189
Net increase (decrease) in cash held		**779,251**	**(151,177)**	**276,859**	**6,800**
Cash and cash equivalents at the beginning of the year		114,077	265,254	6,800	-
Cash and cash equivalents at end of the year	20(a)	**893,328**	**114,077**	**283,659**	**6,800**

The cash flow statement is to be read in conjunction with the attached notes.

Notes to the financial statements

Note	Contents
1	Summary of significant accounting policies
2	Revenue
3	Expenses and losses/(gains) included in profit/(loss)
4	Accumulated profit/(losses)
5	Income tax
6	Earnings per share
7	Dividends
8	Share options issued
9	Cash and cash equivalents
10	Trade and other receivables
11	Other assets
12	Property, plant and equipment
13	Intangible assets
14	Investment in subsidiaries
15	Trade and other payables
16	Provisions
17	Borrowings
18	Deferred revenue
19	Issued capital
20	Statement of cash flows
21	Business combinations
22	Subsequent event
23	Segment information
24	Contingent liabilities
25	Controlled entities
26	Financial instruments
27	Expenditure commitments
28	Auditor's remuneration
29	Related party disclosures
A	ASX Additional information

Notes to the financial statements
For the year ended 30 June 2007

INTRODUCTION

The financial report covers Money3 Corporation Limited ("MNY") and its controlled entities as an economic entity. MNY is a listed public company, incorporated and domiciled in Australia and is the parent entity whose shares publicly trade on the ASX.

The principal activity of the economic entity during the financial year was to provide small cash loans in the form of line of credit and personal loans, car loans, cheque cashing and international money transfer.

The Company (parent entity) was incorporated on 25 November 2005 and accordingly the comparative figures for the Company cover the period from incorporation to 30 June 2006.

On 1 July 2006 the Money3 Corporation Limited acquired 100% of the issued capital of 9 Money3 Trading Companies. These Money3 Trading Companies provide financial services across Melbourne and Geelong, primarily specialising in small cash loans between $100 and $5,000, cheque cashing and international money transfer.

The acquisition of the Money3 Trading Companies has resulted in the shareholders of Money3 Trading Companies gaining control of Money3 Corporation Limited. Accordingly, the transaction is accounted for as a reverse acquisition under A-IFRS. In accordance with AASB 3 "Business Combination", when a business combination involves more than two entities, one of the combining entities that existed before the combination shall be identified as the acquirer. The Directors of Money3 have nominated Antein Pty Ltd, trading as Money3 Glenroy as the acquirer.

Comparative information included in the consolidated financial statements, including the consolidated results and financial position, are that of Money3 Glenroy, as that entity has been deemed to be the accounting acquiring entity under reverse acquisition accounting under A-IFRS – refer Note 21.

The financial statements are presented in Australian dollars.

The financial report was authorised for issue by the Board of Directors of Money3 Corporation Limited at a directors meeting on the date shown on the Declaration by the Board of Directors attached to the Financial Statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations, and complies with other requirements of the law. Accounting Standards include Australian equivalents to International Financial reporting Standards ("A-IFRS").

The financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements have been prepared on a going concern basis. The financial statements have been prepared in accordance with generally accepted accounting standards, which are based on the Company continuing as a going concern. The financial report has been prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business and at the amounts stated in the financial report.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies have been consistently applied and are consistent with those of the previous year except for:

Changes in Accounting Estimates
The Company charges application, credit and monthly account keeping fees on its loans. In prior reporting periods, these revenues were recognised on repayments from customers, over the term of the loan period on a straight- line basis. The Directors have determined that a more appropriate assessment of the provision of loans is to recognise revenue on all fees on a reducing balance basis over the loan period.

The impact of this change relating to these fees for loans has been to increase revenue in the year ended 30 June 2007 by $660,420.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards and Interpretations, which include Australian equivalents to International Financial Reporting Standards (AIFRS), other requirements of the law and the Corporations Act 2001.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the consolidated financial statements and notes of Money3 comply with International Financial Reporting Standards (IFRS). Compliance with AIFRS ensures that the consolidated and parent entity financial statements and notes of Money3 comply with International Financial Reporting Standards (IFRS).

(c) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company being the parent entity, and its controlled entities.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. All inter-company balances and transactions between the entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. The operating results of the controlled entities have been included from the date control was obtained.

Controlled entities
A controlled entity is an entity controlled by the Company. Control exists where the Company has the capacity to dominate the decision making in relation to the financial and operating policies of other entities so that the other entities operate with the Company to achieve the objectives of the Company.

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 'Consolidated and Separate Financial Statements'. The financial statements of subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity. In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits/losses arising within the consolidated entity are eliminated in full.

(d) Significant judgments and key assumptions

In the application of A-IFRS, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

Judgments made in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable in the relevant notes to the financial statements.

Judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements concern the estimated impairment of investments in subsidiaries in the parent entity and associated goodwill on consolidation of subsidiaries.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Significant judgments and key assumptions (continued)

The parent entity tests annually whether investments in subsidiaries has suffered any impairment in accordance with the accounting policy stated in Note 1(j) and the consolidated entity tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 1(j). The Directors believe that investments in subsidiaries are not carried above recoverable amount and no impairment exists in relation to these assets balance at 30 June 2007.

Other areas that require significant judgement and key assumptions are share based payments which are fair valued using the Binomial model, and allowances for doubtful debts.

(e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Cash Flow Statements, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(f) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Receivables from related parties are recognised and carried at the nominal amount due.

(g) Financial assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements.

Other financial assets are classified into the following specified categories: financial assets ‘at fair value through profit or loss’, ‘held-to-maturity investments’, ‘available-for-sale’ financial assets, and ‘loans and receivables’. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the receipts through the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets ‘at fair value through profit or loss’.

Loans and receivables
Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as ‘loans and receivables’. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest is recognised by applying the effective interest rate.

Impairment of financial assets
Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial assets (continued)

The carrying amount of the original asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade and other receivables is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

(h) Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the entity's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the entity's share of the fair value of the identifiable net assets of the business or subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(i) Intangible assets

All intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair value can be measured reliably.

Goodwill
Goodwill represents the excess of the cost an acquisition over the fair value of the entity's share of the net identifiable assts of the acquired business at the date of acquisition. Goodwill is not amortised. Instead, goodwill is tested for impairment.

(j) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangibles assets not yet available for use are tested for impairment annually and wherever there is an indication that the assets may be impaired. An impairment of goodwill is not subsequently reversed.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Acquisition of assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs incidental to the acquisition. Where shares are issued in an acquisition, the value of the shares is determined having reference to existing markets.

(l) Property, plant and equipment

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and any impairment in value. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on property, plant and equipment and is calculated on a diminishing value basis over its estimated useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period.

The following depreciation rates are used in the calculation of depreciation:

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	20% to 30% or remaining life of the lease
Motor Vehicles	20% to 33.3%
Furniture, Equipment and Fittings	20% to 37.5%

Impairment
The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. Impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Impairment losses are recognised in the income statement.

Disposals
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is disposed.

(m) Trade and other payables

Trade and other payables are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services. The amounts are unsecured and paid within 30 days of recognition.

(n) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense, or

(ii) for receivables and payables which are recognised inclusive of GST, the net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables in the Balance Sheet. Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Cash Flow Statements on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Provisions

Provisions are recognised when the economic entity has a present obligation (legal, equitable or constructive) as a result of a present or past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the discounted present value of those cash flows. As that discount is unwound it gives rise to interest expense in the income statement.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Issued capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(q) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the economic entity and the revenue can be reliably measured.

Loan fees and charges
Revenue is recognised on a reducing balance basis over the loan period.

Interest
Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Dividends
Revenue is recognised when the shareholders' right to receive the payment is established.

Rendering of service
Revenue from the rendering of services is recognised in the income statement when the service is performed and there are no unfulfilled service obligations that will restrict the entitlement to receive the sales consideration.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Employee benefits

Wages and salaries and annual leave
Provision for employee benefits relates to liabilities is made in respect of wages and salaries, annual leave and other employee benefits when it is possible that settlement will be required and they are capable of being measured reliably. The provision for employee benefits relates to liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' service up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Superannuation
The amount charged to the Income Statement in respect of superannuation represents the contributions made by the consolidated entity to the employees' nominated superannuation funds.

(s) Income tax

Current tax
Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax
Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base for those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the assets and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period
Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Leased asset

Leases under which the Company or its controlled entities assume substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Operating leases
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating leases are expensed on a straight line basis over the term of the lease.

Finance leases
Finance leases, which transfer to the economic entity substantially all the risks and benefits incidental to ownership of the leased item, are recognised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset. Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period. Finance charges are charged directly against income. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

(u) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(v) Borrowings Costs

Borrowing costs are recognised as an expense in the period in which they are incurred except borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale. In this case the borrowing costs are capitalised as part of the cost of such a qualifying asset.

(w) Comparative figures

The Company (parent entity) was incorporated on 25 November 2005 and accordingly the comparative figures for the Company cover the period from incorporation to 30 June 2006.

Comparative information included in the consolidated financial statements, including the consolidated results and financial position, are that of Money3 Glenroy, as that entity has been deemed to be the accounting acquiring entity under reverse acquisition accounting under A-IFRS – refer Note 21.

(x) Share based payment arrangements

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity settled share-based payments, goods or services received are measured directly at the fair value of the goods and services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value.

The share option reserve is used to record the grant of share options to directors and senior employees. Amounts are transferred out of the reserve account into issued capital when the options are exercised.

Notes to the financial statements
For the year ended 30 June 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

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.

Where a net loss is made for the period, basic EPS and diluted EPS are the same, because, the inclusion of options in the earnings per share calculations does not result in further dilution.

(z) New accounting standards and UIG interpretations

All the new and revised Accounting Standards and UIG Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the annual reporting period beginning on 1 July 2006 have been adopted by Money3 Corporation Limited. The directors have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material financial impact on the financial statements of the Company or the Consolidated entity. The directors' assessment of the impact of these new standards and interpretations is set out below.

(i)*AASB* 7 *Financial instruments: DlscIosures, Revised AASB 101 Presentation of Financial Statements, and AASB 2005-10 Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB117*, *AASB133, AASB 139, AASB1*, *AASB* 4, AA*SB1023* & *AASB 1038*

AASB 7, Revised AASB 101, and AASB 2005-10 are applicable to reporting periods beginning on or after 1 January 2007. Money3 has not adopted the standards early. Application of the standards will not affect any at the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Money3's financial instruments and financial statements.

(ii) *AASB Interpretation 10: Interim Financial Reporting and Impairment*

AASB-I 10 prohibits the reversal of an impairment loss recognised in a previous interim period in respect of goodwill, an investment in an equity instrument or a financial asset carried at cost. AASB-l 10 is applicable to reporting periods commencing on or after I November 2006. Money3 has not recognised an impairment loss in relation to goodwill, investments in equity instruments or financial assets carried at cost in an interim reporting period nor subsequently reversed the impairment loss in the annual report. Application of the interpretation will therefore have no current impact on the financial statements.

(iii) *AASB Interpretation 11: AASB 2 Share-based Payment - Group and Treasury Share Transactions and AASB 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]*

AASB-I 11 addresses the classification of a share-based payment transaction (as equity or cash settled), in which equity instruments of the parent or another group entity are transferred, in the financial statements of the entity receiving the services. The standards are applicable for reporting periods beginning on or after I March 2007. The potential effect of the standards on Money3's financial statements has not yet been determined.

(iv) *AASB 8 Operating Segments AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6 AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]*

AASB 8 replaces the presentation requirements of segment reporting in AASB 114 Segment Reporting. The standards are applicable for reporting periods beginning on or after 1 January 2009. Application of the standards will not affect any of the amounts recognised in the Group's or the parent entity's financial statements as the standards are only concerned with disclosures and the Company operates in one business segment being the short term cash loan industry and one geographical segment being Victoria, Australia.

Notes to the financial statements
For the year ended 30 June 2007

2. Revenue

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Continuing operations:				
Revenue from operating activities				
Loan fees	5,871,432	749,531	173,556	-
Cheque cashing fees	335,560	63,131	-	-
Money transfer fees	73,635	10,784	-	-
Other services	44,719	7,886	-	-
Inter company charges	-	-	2,102,542	150,134
	6,325,346	831,332	2,276,098	150,134
Revenue from non-operating activities				
Interest income from financial institutions	74,474	-	74,474	-
Dividend received	-	-	355,000	-
Total revenue from continuing operations	**6,399,820**	**831,332**	**2,705,572**	**150,134**

3. Expenses included in net profit/(loss) from continuing operations

Profit/(Loss) before income tax has been determined after:

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Employment:				
Salary and employee benefits expense	1,781,751	116,785	1,273,001	-
Share based payment	115,736	-	115,736	-
Contributed superannuation	164,069	10,482	124,936	-
Other employment costs	47,750	93,998	15,651	-
Total Employment costs	2,109,306	221,265	1,529,324	-
Depreciation and amortisation:				
Leasehold improvements	46,802	-	-	-
Motor vehicles	39,771	8,873	15,994	4,270
Furniture, Equipment and Fittings	103,798	10,301	1,151	-
Total depreciation and amortisation	190,371	19,174	17,145	4,270
Operating lease				
Rent	276,069	16,800	-	-

Notes to the financial statements
For the year ended 30 June 2007

4. Accumulated profit/(losses)

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Accumulated profit/(loss) at 1 July 2006	498,339	629,141	(45,521)	-
Net profit / (loss)	1,212,121	295,198	298,409	(45,521)
Dividend paid	(354,575)	(426,000)	(354,575)	-
Accumulated profit/(losses) at end of the financial year	1,355,885	498,339	(101,687)	(45,521)

5. Income tax

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
a) Income tax expense				
Current tax expense	490,498	140,199	-	-
Deferred tax expense / (income) related to the origination and reversal of temporary differences in relation to deferred tax assets	12,510	-	-	-
Total tax expense / (income) in the income statement	503,008	140,199	-	-
Current tax expense is attributable to:				
- Profit from continuing operations	490,498	140,199	-	-
Deferred income tax (revenue)/expense included in income tax expense comprises:				
- Decrease/(increase) in deferred tax assets	12,510	-	-	-
- (Decrease)/increase in deferred tax liabilities	-	-	-	-
	12,510	-	-	-
b) The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:				
Profit / (loss) from continuing operations before income tax expense	1,715,129	435,397	298,409	(45,521)
Income tax calculated at 30% (2006: 30%)	514,539	130,619	89,523	(13,656)
Add/(less):				
Capital raising costs	(47,792)	-	(47,792)	-
Intra-group dividends	-	-	(107,433)	-
Non deductible expenses	98,992	9,580	79,358	-
Unused tax losses (recognised)/not recognised as deferred tax assets	(62,731)	-	(13,656)	13,656
Income tax expense / (income)	503,008	140,199	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

Notes to the financial statements
For the year ended 30 June 2007

5. Income tax (continued)

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
c) Current tax liabilities				
Income tax payable attributable to:				
Parent entity	-	-	-	-
Entities in the consolidated group	743,604	140,199	-	-
	743,604	140,199	-	-

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
d) Amounts recognised directly in equity				
Aggregate current and deferred tax arising in the reporting period and recognised directly in equity:				
Current tax – credited directly to equity	-	-	-	-
Net Deferred tax debited (credited) directly to equity	(242,760)	-	(242,760)	-
	(242,760)	-	(242,760)	-

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
e) Deferred tax balances				
Deferred tax assets comprises:				
Capital raising costs (i)	194,968	-	194,968	-
Provisions (ii)	117,715	-	47,792	-
	312,683	-	242,760	-

(i) Deferred tax loss attributable to capital raising costs equals amount recognised of $242,760 less expenditure deducted against current tax expense of $47,792.
(ii) Deferred tax balance attributable to provisions (i.e. employee entitlements and doubtful debts).

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
f) Tax losses				
Unused tax losses for which no deferred tax assets has been recognised	(41,637)	-	-	(45,521)
Potential tax benefit @30%	12,491	-	-	13,656

All unused tax losses were incurred by Australian entities

Notes to the financial statements
For the year ended 30 June 2007

6. Earnings per share

	Consolidated
	2007
a) Basic and diluted earnings per share	
Basic earnings per share (cents per share)	4.71
Diluted earnings per share (cents per share)	4.47

b) The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	$
Earnings used in basic and diluted earnings per share (net profit)	1,212,121
	Number
Weighted average number of ordinary shares for the purpose of basic earnings per share	25,707,877
Weighted average number of ordinary and potential ordinary shares used in the calculation of earnings per share as follows:	
Weighted average number of ordinary shares basic	25,707,877
Options	1,397,260
Weighted average number of ordinary shares diluted	27,105,137

The number of potential ordinary shares not included in the above calculation is Nil.

Comparative information for 2006 earnings per share has been omitted as it relates to Money3 Glenroy, the accounting acquirer (see Note 21), a private entity with $4 paid up share capital.

7. Dividends

	2007		2006	
	Cents per share	**$**	**Cents per share**	**$**
Recognised amounts				
Fully paid ordinary shares				
Interim dividend fully franked at 30% tax rate	1.3	354,575	-	-
Unrecognised amounts				
Fully paid ordinary shares				
Final dividend fully franked at 30% tax rate	3.0	818,250	-	-

On 25 September 2007, the directors declared a fully franked final dividend of 3 cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 30 June 2007, to be paid to shareholders on 30 November 2007. The dividend will be paid to shareholders on the Register of Members on 16 November 2007. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is $818,250.

Franking Credit

	Consolidated		Company	
	2007 **$**	**2006** **$**	**2007** **$**	**2006** **$**
Adjusted franking account balance	991,378	224,385	182	-
Impact on franking account balance of dividends not recognised	(350,679)	-	(350,679)	-
Income tax consequences of unrecognised dividends	-	-	(350,497)	-

Subsidiaries in the consolidated group have sufficient franking credit to pay fully franked dividend to parent entity thus enabling parent entity to pay fully franked dividend to shareholders on 30 November 2007.

Notes to the financial statements For the year ended 30 June 2007

8. Share options issued

Movement in the share options of the consolidated entity during the financial year are summarized below.

	2007 Number	2006 Number
Balance at 1 July 2006	-	-
Granted during the financial period (i)	2,000,000	-
Exercised during the financial period	-	-
Lapsed during the financial period	-	-
Balance at the end of the financial period	2,000,000	-

(i) Granted during the financial period 2007

Options	Number	Grant Date	Expiry Date	Exercise Price	Fair value
Issued 1 July 2006	2,000,000	19 October 2006	1 July 2011	$1.20	$0.25
Total	2,000,000				

These options vest three years from the date of listing being 19 October 2009 or if an event occurs which gives rise to a change in control of the Company.

Share options carry no rights to dividends and no voting rights. In accordance with the terms of the share option schemes, options may be exercised at any time from the date on which they vest to the date of their expiry, subject to any additional specific requirements of the particular allocation.

Consideration received on the exercise of options is recognised on contributed equity. During the financial period, an amount of $nil (2006: $nil) was recognised in contributed equity arising from the exercise of options.

The weighted average remaining contractual life of outstanding options is 48 months. (2006: n/a)
The weighted average exercise price is $1.20 (2006: $n/a)
The weighted average share price during the year was $0.99

Options
Options are granted under the Money3 Corporation Limited's Director and Employee Share Option Plan. Options are granted under the plan for no consideration. The board meets to determine eligibility for the granting of options, and to determine the quantity and terms of options that will be granted.

The valuations of options are determined by independent experts using Binomial option pricing model taking into account the terms and conditions upon which the instruments were granted.

The following table disclose terms and conditions of each grant of options provided as compensation in the previous, this or future reporting periods of key management personnel are as follows:

Key management person	Number in period		Grant date	Expiry date	Exercise price	Fair value per option at grant date	Date exercisable
	Vested	Granted					
Robert Bryant	1,000,000	1,000,000	19 October 2006	1 July 2011	$1.20	$0.25	19 October 2009
Kang Hong Tan	1,000,000	1,000,000	19 October 2006	1 July 2011	$1.20	$0.25	19 October 2009

The weighted average fair value of the options granted during the year ended 30 June 2007 was $0.25 per option (2006: $Nil). The Binomial option pricing model takes into account the exercise price ($1.20), the term of the option (5 years), the vesting criteria (3 years), the non tradeable nature of the option, the share price on the grant date ($0.87) and expected price volatility of the share (50% - based on historical data for comparable companies), the expected dividend yield (5%), and the risk free rate (5.75%) for the term of the option.

Options granted under the plan carry no dividend or voting rights.

Notes to the financial statements
For the year ended 30 June 2007

9. Cash and cash equivalents

	Consolidated	Consolidated	Company	Company
	2007	2006	2007	2006
	$	$	$	$
Cash at bank in hand	893,328	114,077	283,659	6,800

10. Trade and other receivables

	Consolidated	Consolidated	Company	Company
	2007	2006	2007	2006
	$	$	$	$
Trade receivables	8,368,462	670,515	1,681,772	38,125
Allowance for doubtful debts	(258,612)	(33,555)	-	-
	8,109,850	636,960	1,681,772	38,125
Advances to controlled entities	-	-	3,108,210	360,000
	8,109,850	636,960	4,789,982	398,125
Current receivables	7,449,430	636,960	4,418,806	398,125
Non-current receivables	660,420	-	371,176	-

11. Other assets

	Consolidated	Consolidated	Company	Company
	2007	2006	2007	2006
	$	$	$	$
Current				
Other debtors	51,615	70,601	40,760	127,362
Prepayments	10,844	1,982	-	-
	62,459	72,583	40,760	127,362
Non-Current				
Rental deposits	33,118	-	-	-
	33,118	-	-	-

Notes to the financial statements
For the year ended 30 June 2007

12. Property, plant and equipment

2007 CONSOLIDATED	**Motor vehicles on hire purchase**	**Motor vehicles**	**Improvement to Leasehold**	**Furniture, Equipment and Fittings**	**Total**
	$	**$**	**$**	**$**	**$**
Gross carrying amount					
Balance at 1 July 2006	-	55,455	-	154,528	209,983
Cost from entities acquired	43,901	107,363	288,848	347,309	787,421
Additions	-	35,500	158,462	355,159	549,121
Balance at 30 June 2007	43,901	198,318	447,310	856,996	1,546,525
Accumulated Depreciation					
Balance at 1 July 2006	-	19,964	-	116,879	136,843
Depreciation from entities acquired	13,264	39,986	93,773	131,694	278,717
Depreciation expense	1,204	38,567	46,802	103,798	190,371
Balance at 30 June 2007	14,468	98,517	140,575	352,371	605,931
Net carrying amount					
As at 30 June 2007	29,433	99,801	306,735	504,625	940,594

2006 CONSOLIDATED	**Motor vehicles on hire purchase**	**Motor vehicles**	**Improvement to Leasehold**	**Furniture, Equipment and Fittings**	**Total**
	$	**$**	**$**	**$**	**$**
Gross carrying amount					
Balance at 1 July 2005	-	55,455	-	149,528	204,983
Additions	-	-	-	5,000	5,000
Balance at 30 June 2006	-	55,455	-	154,528	209,983
Accumulated Depreciation					
Balance at 1 July 2005	-	11,091	-	106,578	117,669
Depreciation expense	-	8,873	-	10,301	19,174
Balance at 30 June 2006	-	19,964	-	116,879	136,843
Net carrying amount					
As at 30 June 2006	-	35,491	-	37,649	73,140

Notes to the financial statements
For the year ended 30 June 2007

12. Property, plant and equipment (continued)

2007 COMPANY	**Motor Vehicles**	**Furniture, Equipment and Fittings**	**Total**
	$	**$**	**$**
Gross carrying amount			
Balance at 1 July 2006	36,528	-	36,528
Cost transferred from Subsidiaries	130,456	-	130,456
Additions	35,500	32,185	67,685
Balance at 30 June 2007	202,484	32,185	234,669
Accumulated Depreciation			
Balance at 1 July 2006	4,270	-	4,270
Depreciation transferred from subsidiaries	52,986	-	52,986
Depreciation expense	15,994	1,151	17,145
Balance at 30 June 2007	73,250	1,151	74,401
Net carrying amount			
As at 30 June 2007	129,234	31,034	160,268

2006 COMPANY	**Motor Vehicles**	**Furniture, Equipment and Fittings**	**Total**
	$	**$**	**$**
Gross carrying amount			
Balance at 25 November 2005	-	-	-
Additions	36,528	-	36,528
Balance at 30 June 2006	36,528	-	36,528
Accumulated Depreciation			
Balance at 25 November 2005	-	-	-
Depreciation expense	4,270	-	4,270
Balance at 30 June 2006	4,270	-	4,270
Net carrying amount			
As at 30 June 2006	32,258	-	32,258

See accounting policy in Note 1(l), regarding useful life assumptions.

Notes to the financial statements
For the year ended 30 June 2007

13. Intangible assets

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Computer software (i)	63,000	-	63,000	16,000
Goodwill (ii)	15,323,487	-	-	-
Total intangibles	15,386,487	-	63,000	16,000

(i) The computer software is purchased as part of a system upgrade and is still under development. This intangible asset is assessed as having a finite life and will be amortised 100% during the year the system is fully developed and in use. This asset is not internally generated, on completion will be a finite life intangible asset.

(ii) Goodwill	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Gross carrying amount				
Balance at beginning of financial year	-	-	-	-
Amounts recognised from business combination of Money3 Trading Companies (Note 21a)	14,598,487	-	-	-
Amounts recognised from business combination of Money Plus Dandenong (Note 21b)	725,000	-	-	-
Balance at end of the year	15,323,487	-	-	-
Accumulated Impairment losses				
Balance at beginning of financial year	-	-	-	-
Impairment losses for the year	-	-	-	-
Balance at end of financial year	-	-	-	-
Net book value				
At the beginning of financial year	-	-	-	-
At the end of financial year	15,323,487	-	-	-

Allocation of goodwill to cash-generating units
Goodwill has been allocated for impairment testing to cash-generating units as follows:

	Consolidated 2007 $	Consolidated 2006 $
Bellavita Pty Ltd (Northcote)	2,950,808	-
Hallowed Holdings Pty Ltd (Clayton)	2,815,703	-
Kirney Pty Ltd (Coburg)	435,287	-
Nexia Pty Ltd (Werribee)	1,648,476	-
Pechino Pty Ltd (Frankston)	1,675,526	-
Salday Pty Ltd (St Albans)	371,575	-
Tannaster Pty Ltd (Moonee Ponds)	3,010,000	-
Tristace Pty Ltd (Geelong)	1,691,112	-
Money3 Dandenong Pty Ltd (Dandenong)	725,000	-
	15,323,487	-

All cash-generating units provide financial services specialising in the delivery of small cash loans, personal loans, cheque cashing and international money transfer. The recoverable amount of all cash-generating units is determined based on a value in use calculation which uses cash flow projections based on budgets approved by management covering a five-year period, and a discount rate of 14% p.a. Cash flow beyond the five year period have been extrapolated using 12% growth rate. Management believes that this rate is reasonable as the industry is still in its infancy and accordingly, extrapolating beyond a 5 year period is appropriate.

The key assumptions used in the value calculations for all cash-generating units are as follows:
(a) There are no significant changes to the present legislation regulating the credit industry;
(b) Fees and charges remain constant;
(c) Competition remains at a reasonable level; and
(d) Bad Debts level is not unduly affected by the general economic environment.

Notes to the financial statements
For the year ended 30 June 2007

14. Investment in subsidiaries

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Shares in controlled entities at cost:	-	-	18,067,508	-

Details on controlled entities are included in Note 25.

15. Trade and other payables

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Trade and other payables	427,100	115,112	309,512	106,046
Advances from controlled entities	-	-	493,988	70,000
	427,100	115,112	803,500	176,046

16. Provisions

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Current				
Employee benefits – current	158,534	-	100,283	-
Non-Current				
Employee benefits – non-current	21,623	-	21,623	-

17. Borrowings

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Current				
Borrowings - see Note 29(d)	-	-	-	450,000
Hire Purchase liabilities – see Note 27	34,037	-	-	-
	34,037	-	-	450,000

18. Deferred revenue

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Deferred revenue	1,988,763	143,106	514,729	-

Deferred revenue relates to application, credit and monthly account keeping fees charged on personal loans.

Notes to the financial statements
For the year ended 30 June 2007

19. Issued capital

Issued Capital	**Consolidated 2007 $**	**Consolidated 2006 $**	**Company 2007 $**	**Company 2006 $**
Fully paid ordinary shares (no par value)	20,893,237	4	21,950,993	20
Total	20,893,237	4	21,950,993	20

a) Issued and fully paid-up ordinary shares

SUMMARY:	**Consolidated 2007 $**	**Consolidated 2006 $**	**Company 2007 $**	**Company 2006 $**
Balance at 1 July 2006	4	4	20	20
Issue of share capital for acquisitions	16,767,000	-	18,067,500	-
Issue of shares to the public	4,500,000	-	4,500,000	-
Issue of shares to employees	100,000	-	100,000	-
Discount on shares issued to employees	80,000	-	80,000	-
Less cost of raising equity	(796,527)	-	(796,527)	-
Transfer to deferred tax reserve	242,760	-	242,760	-
Position at 30 June 2007	20,893,237	4	22,198,753	20

b) Movement in shares on issue

Movement in the shares on issue of the consolidated entity during the financial year are summarized below.

	Consolidated 2007		**Consolidated 2006**	
	Number of ordinary shares	**Value $**	**Number of ordinary shares**	**Value $**
Balance at the beginning of the financial year	4	4	4	4
Restatement to number of Parent Entity shares	2,000,000	4	4	4
Issued during the year:				
(i) Issue of share capital for acquisitions	20,075,000	16,767,000	-	-
(ii) Issue of 5,000,000 shares at $0.90 each	5,000,000	4,500,000	-	-
(iii) Issue of 200,000 shares at $0.50 each	200,000	100,000		
(iv) Discount on 200,000 shares of $0.40 each	-	80,000		
(v) Initial public offer costs	-	(796,527)		
Transfer to deferred tax reserve	-	242,760		
Balance at end of financial year 30 June 2007 27,275,000 shares fully paid (no par value)	27,275,000	20,893,237	4	4

Notes to the financial statements
For the year ended 30 June 2007

19. Issued capital (continued)

(i) On 1 July 2006 the Company issued 20,075,000 shares at $0.90 each to acquire nine Money3 Trading Companies.

(ii) In August and September 2006 the Company raised, under a prospectus dated 7 August 2006, $4,500,000 via the issue of 5,000,000 ordinary shares at $0.90 each.

(iii) Under the same prospectus mentioned in (ii) above, the Company raised $100,000 via the issue of 200,000 ordinary shares to employees at $0.50 each.

(iv) The shares issued to employees mentioned in (iii) above were issued at a discount of $0.40 each.

Costs associated with these equity raisings amounted to $796,527 which resulted in a net equity raising of $3,803,474.

(c) Movements in share options

Movement in the share options of the consolidated entity during the financial year are summarized below.

	2007 Number	2006 Number
Balance at 1 July 2006	-	-
Granted during the financial period	2,000,000	-
Exercised during the financial period	-	-
Lapsed during the financial period	-	-
Balance at the end of the financial period	2,000,000	-

(d) Terms and conditions of issued capital

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 of and amounts paid up on shares held.
Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.
The company does not have limited authorised capital and issued shares have no par value.
The company has 27,275,000 shares on issue, with 13,516,375 are held in escrow for a 2-year period to 19 October 2008.

Options
The company has 2,000,000 options held in escrow for a 2-year period to 19 October 2008. The holders of the restricted options are not permitted to exercise those options until after 19 October 2009.

Notes to the financial statements
For the year ended 30 June 2007

20. Statement of cash flows

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments with terms of less than 90 days, net of outstanding bank overdrafts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Cash at bank and on hand	893,328	114,077	283,659	6,800

b) Reconciliation of operating loss after income tax to net cash flows from operating activities:

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Net Profit/(loss) after tax	1,212,121	295,198	298,409	(45,521)
Non cash items:				
Depreciation and amortisation expense	190,371	19,174	17,145	4,270
Write-off formation costs	-	-	-	1,409
Employee share discount	80,000	-	80,000	-
Share based payment	115,736	-	115,736	-
Changes in assets and liabilities:				
(Increase)/decrease in assets				
Trade and other receivables	(3,726,082)	(17,384)	(3,922,129)	(38,125)
Deferred tax assets	(312,863)	-	(242,760)	-
Increase/(decrease) in liabilities				
Trade and other payables	(64,510)	102,424	203,466	51,515
Deferred revenue	1,031,124	(1,390)	514,729	-
Tax	338,739	-	-	-
Provisions for employee entitlements	127,042	-	121,906	-
Cash flows from operations	(1,008,322)	398,022	(2,813,498)	(26,452)

c) Non cash financing : Investment activities

Acquisition of plant and equipment by finance leases	-	-	-	-
Acquisition of motor vehicles by means of finance leases	-	-	-	-
Total	-	-	-	-

NON CASH INVESTMENT ACTIVITIES INVOLVING THE ISSUE OF SHARES OR ACQUISITION OF BUSINESSES IS DISCLOSED AT NOTE 21

Notes to the financial statements
For the year ended 30 June 2007

21. Business combinations

a) Money3 trading companies– acquisition of business and assets

On 1 July 2006 the Money3 Corporation Limited acquired 100% of the issued capital of 9 Money3 Trading Companies. These Money3 Trading Companies provide financial services across Melbourne and Geelong, primarily specialising in small cash loans between $100 and $5,000, cheque cashing and international money transfer.

Under each of the acquisition contracts, the Company has issued the Vendors shares in consideration for the transfer to the Company of the entire issued capital of each of the 9 Money3 Trading Companies. Details of the number of shares issued are as follows:

Money3 Trading Companies	**Number of Shares**
Antein Pty Ltd (Glenroy)	3,445,000
Bellavitta Pty Ltd (Northcote)	3,375,000
Hallowed Holdings Pty Ltd (Clayton)	3,300,000
Kirney Pty Ltd (Coburg)	537,500
Nexia Pty Ltd (Werribee)	1,850,000
Pechino Pty Ltd (Frankston)	1,875,000
Salday Pty Ltd (St Albans)	537,500
Tannaster Pty Ltd (Moonee Ponds)	3,220,000
Tristace Pty Ltd (Geelong)	1,935,000
Total	**20,075,000**

The acquisition of the Money3 Trading Companies has resulted in the shareholders of Money3 Trading Companies gaining control of Money3 Corporation Limited. Accordingly, the transaction is accounted for as a reverse acquisition under A-IFRS. In accordance with AASB 3 “Business Combination”, when a business combination involves more than two entities, one of the combining entities that existed before the combination shall be identified as the acquirer. The Directors of Money3 have nominated Antein Pty Ltd, trading as Money3 Glenroy as the acquirer.

As the acquisition occurred on 1 July 2006, the revenue and net profit of the combined entity for the year ended 30 June 2007 is inclusive of the trading results of the 9 Money3 Trading companies.

The revenue and net profit of the 8 Money3 Trading companies and Money3 Corporation Limited notionally acquired by Money3 Glenroy included in the consolidated results for the financial year ended 30 June 2007 are $5,132,489 and $1,257,148 respectively.

Notes to the financial statements
For the year ended 30 June 2007

21. Business combinations (continued)

The fair value of the identifiable net tangible assets of Money3 and the Money3 Trading Companies notionally acquired by Money3 Glenroy are represented by the following purchase consideration:

Purchase Consideration:

	Acquiree's carrying amount before business combination	Fair value adjustments (i)	Fair value
	$	$	$
Net Tangible Assets Acquired			
Cash and cash equivalents	475,685	-	475,685
Trade and other receivables	3,544,441	(219,762)	3,324,679
Plant and equipment	490,480	-	490,480
Other assets – current and non-current	407,707	-	407,707
Trade and other payables and deferred revenue	(1,456,387)	-	(1,456,387)
Employee entitlements (current and non-current)	(52,425)	-	(52,425)
Borrowings - current	(1,021,226)	-	(1,021,226)
Total			2,168,513
Goodwill on Acquisition (ii)			14,598,487
Purchase Consideration (iii)			16,767,000

(i) The carrying amount of the trade receivables have been adjusted for doubtful debt allowance of $219,762 to give a fair value of $3,324,679.

(ii) Goodwill on acquisition represents the premium paid for entry into the market, the customer base and the expertise and knowledge of the company's employees.

(iii) Notional issue of shares in Money3 Glenroy to the Vendors of Money3 and the other eight Money3 Trading Companies. The fair value of shares issued by Money3 Glenroy has been based on $0.90 per share, which equated to the offer price under the Company's prospectus.

b) Money3 Dandenong Pty Ltd– acquisition of business and assets

On 18 November 2006 Money3 Dandenong Pty Ltd, an entity controlled by the Company acquired the business of Money Plus Dandenong. Its results for the period 18 November 2006 to 30 June 2007 has been consolidated in this report. Goodwill on acquisition represents the premium paid for entry into the market and the customer base.

The revenue and net profit of the Money3 Dandenong Pty Ltd included in the consolidated results for the period ended 30 June 2007 are $274,429 and $25,201 respectively.

The directors do not consider it practical to estimate what consolidated revenue and profit for the year ended 30 June 2007 would have been if the acquisition had occurred on 1 July 2006, as the company that owned the business and assets had previously been unaudited.

Notes to the financial statements
For the year ended 30 June 2007

21. Business combinations (continued)

The fair value of the identifiable net tangible assets of Money Plus Dandenong acquired are represented by the following purchase consideration:

	Acquiree's carrying amount before business combination	Fair value adjustments	Fair value
			$
Net Tangible Assets Acquired (at fair value):			
Cash and cash equivalents	11,146	-	11,146
Trade and other receivables	235,032	-	235,032
Plant and equipment	75,000	-	75,000
Sub total			321,178
Goodwill on Acquisition			725,000
Purchase Consideration – cash			1,046,178

The parent entity advanced cash of $1,050,000 to Money3 Dandenong Pty Ltd by way of an investment in the controlled entity to fund the acquisition.

22. Subsequent event

Dividend
As disclosed in Note 7, on 25 September 2007, the directors declared a fully franked final dividend of 3 cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 30 June 2007, to be paid to shareholders on 30 November 2007. The dividend will be paid to shareholders on the Register of Members on 16 November 2007. This dividend has not been included as a liability in these financial statements.

New CEO
On 6 August 2007 Mr John E. Morris was appointed as Chief Executive Officer. John has almost 30 years experience in the Consumer Finance Industry, initially with Avco Financial Services and continuing with GE Money (formerly GE Finance) after they acquired AVCO. He progressed through these companies, from Branch Management, National training manager and other senior management roles in Sydney, Melbourne and New Zealand. Between 1992 - 2001 he held the position of General Manager of AVCO/GE branch network in Vic, Tas, SA, WA and NZ encompassing over 80 branches, 350 employees and a loan book in excess of $750m.

John was successful in generating profitable growth in the consumer loan and insurance portfolio organically and from branch expansion and business acquisition. The Board believes that the experience John has gathered over the last 30 years will be an invaluable source for the successful expansion of Money3.

Other events
Other than disclosed above and elsewhere in the financial statements of the Company, no other matter or circumstances has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Company, the results or the state of affairs of the Company.

23. Segment information

Segment information is not provided as the Company operates in one business segment being the short term cash loan industry and one geographical segment being Victoria, Australia.

24. Contingent liabilities

The Company has no contingent liabilities as at 30 June 2007.

Notes to the financial statements
For the year ended 30 June 2007

25. Controlled entities

Controlled entities of Money3 Corporation Limited (parent entity)

Name	Country of Incorporation	Percentage of equity held by the consolidated entity		Acquisition Date	Investment	
		2007	2006		2007 $	2006 $
Money3 Ballarat Pty Ltd	Australia	100	-	1 November 2006	2	-
Money3 Dandenong Pty Ltd	Australia	100	-	1 November 2006	2	-
Money3 Franchising Pty Ltd	Australia	100	-	16 April 2007	2	-
Money3 Reservoir Pty Ltd	Australia	100	-	1 November 2006	2	-
Antein Pty Ltd (Glenroy)	Australia	100	-	1 July 2006	3,100,500	-
Bellavita Pty Ltd (Northcote)	Australia	100	-	1 July 2006	3,037,500	-
Hallowed Holdings Pty Ltd (Clayton)	Australia	100	-	1 July 2006	2,970,000	-
Kirney Pty Ltd (Coburg)	Australia	100	-	1 July 2006	483,750	-
Nexia Pty Ltd (Werribee)	Australia	100	-	1 July 2006	1,665,000	-
Pechino Pty Ltd (Frankston)	Australia	100	-	1 July 2006	1,687,500	-
Salday Pty Ltd (St Albans)	Australia	100	-	1 July 2006	483,750	-
Tannaster Pty Ltd (Moonee Ponds)	Australia	100	-	1 July 2006	2,898,000	-
Tristace Pty Ltd (Geelong)	Australia	100	-	1 July 2006	1,741,500	-
Total					**18,067,508**	**-**

All entities operated solely in their place of incorporation.

26. Financial instruments

The company and the group's exposure to interest rate risk on financial assets and financial liabilities are low as the loans written by the group carry a fixed fees and charges and the group's current borrowing is minimal.

(a) Interest rate risk

Consolidated	Average interest rate	Variable interest rate	Fixed interest rate maturity: Less than 1 year	Fixed interest rate maturity: 1 to 5 years	Fixed interest rate maturity: More than 5 years	Non interest bearing	Total
As at 30 June 2007		$	$	$	$	$	$
Financial assets:							
Cash	5%	239,945	-	-	-	653,383	893,328
Receivables	-	-	-	-	-	8,109,850	8,205,427
Total financial assets		239,945	-	-	-	8,763,233	9,098,755
Financial liabilities:							
Payables	-	-	-	-	-	427,100	427,100
Hire Purchase Liability	6.6%	-	34,037	-	-	-	34,037
Total financial liabilities		-	34,037	-	-	427,100	461,137
Net financial assets		**239,945**	**(34,037)**	**-**	**-**	**8,336,133**	**8,637,618**
As at 30 June 2006							
Financial assets:							
Cash	-	-	-	-	-	114,077	114,077
Receivables	-	-	-	-	-	636,960	709,543
Total financial assets		-	-	-	-	751,037	823,620
Financial liabilities:							
Payables	-	-	-	-	-	115,112	115,112
Hire Purchase Liability	-	-	-	-	-	-	-
Total financial liabilities		-	-	-	-	115,112	115,112
Net financial assets		-	-	-	-	**635,925**	**708,508**

Notes to the financial statements
For the year ended 30 June 2007

26. Financial instruments (continued)

Company	Average interest rate	Variable interest rate	Fixed interest rate maturity: Less than 1 year	1 to 5 years	More than 5 years	Non interest bearing	Total
As at 30 June 2007		$	$	$	$	$	$
Financial assets							
Cash	5%	239,945	-	-	-	43,714	283,659
Receivables	-	-	-	-	-	4,789,982	4,830,742
Total financial assets		239,945	-	-	-	4,833,696	5,114,401
Financial liabilities							
Payables	-	-	-	-	-	803,500	803,500
Borrowings	-	-	-	-	-	-	-
Total financial liabilities		-	-	-	-	803,500	803,500
Net financial assets		**239,945**	**-**	**-**	**-**	**4,030,196**	**4,310,901**
As at 30 June 2006							
Financial assets							
Cash	-	-	-	-	-	6,800	6,800
Receivables	-	-	-	-	-	398,125	525,487
Total financial assets						404,925	532,287
Financial liabilities							
Payables	-	-	-	-	-	176,046	176,046
Borrowings	-	-	-	-	-	450,000	450,000
Total financial liabilities		**-**	**-**	**-**	**-**	626,046	626,046
Net financial liabilities		**-**	**-**	**-**	**-**	**(221,121)**	**(93,759)**

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The consolidated entity measures credit risk on a fair value basis.

The consolidated entity does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

(c) Net fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their net fair values.

The net fair values of financial assets and financial liabilities are determined as follows:

- the net fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and the net fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow theory.

Notes to the financial statements
For the year ended 30 June 2007

27. Expenditure commitments

Operating leases

Operating leases relate to branch premises with lease terms of up to 5 years plus an option to extend a further 5 years. All operating leases contain market rent review clauses when option to renew is exercised.

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Lease expenditure commitments				
Operating leases (non-cancellable)				
Minimum lease payments				
- not later than one year	342,627	18,242	-	-
- later than one year but not later than five years	810,785	56,108	-	-
Total minimum payments	1,153,412	74,350	-	-

Hire purchase

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Hire Purchase commitments				
- not later than one year	34,037	-	-	-
- later than one year but not later than five years	-	-	-	-
Total minimum payments	34,037	-	-	-

Hire purchase commitments relate to motor vehicle.

28. Auditor's remuneration

	Consolidated 2007 $	Consolidated 2006 $	Company 2007 $	Company 2006 $
Amounts received or due and receivable by the auditors for:				
Auditing or reviewing the financial reports of the entity and any other entity in the consolidated entity	137,753	-	137,753	10,000
Other services in relation to the entity and any other entity in the consolidated entity – due diligence services related to acquisitions and to the IPO	185,875	-	185,875	23,000
Total remuneration of auditors	**323,628**	**-**	**323,628**	**33,000**

Notes to the financial statements
For the year ended 30 June 2007

29. Related party disclosures

(a) Parent and ultimate controlling entity

The parent and ultimate controlling entity is Money3 Corporation Limited which is incorporated and domiciled in Australia. The names and other information about subsidiaries is provided in Note 25.

(b) Key management personnels' remuneration

The aggregate compensation of the key management personnel of the consolidated entity and company is set out below:

	Consolidated		Company	
	2007 $	2006 $	2007 $	2006 $
Short term employee benefits	380,000	-	380,000	-
Post employment benefits	32,400	-	32,400	-
Other long term benefits	-	-	-	-
Share based payments	115,736	-	115,736	-
Total	528,136	-	528,136	-

(c) Equity interests in controlled entities

Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 25 to the financial statements.

(d) Loan disclosures

During part of the year the Company had an interest free unsecured loan of $225,000 each from the Directors, Robert Bryant and Kang Hong Tan. The total balance as at 1 July 2006 was $450,000. The amount was repaid in full from the proceeds of the IPO. There are no loans made by the disclosing entity or any of its subsidiaries to any key management personnel, including their personally related entities.

(e) Key management personnel equity holdings

Details of key management personnel equity holdings are disclosed below.

	Balance at 1 July 2006	Granted as remuneration	On exercise of options	Net change other	Balance at 30 June 2007
Robert Bryant	900,000	-	-	7,231,625	8,131,625
Kang Hong Tan	900,000	-	-	3,738,125	4,638,125
Christopher Baldwin	200,000	-	-	567,125	767,125
Bettina Evert	-	-	-	3,000	3,000
Total	**2,000,000**	**-**	**-**	**11,539,875**	**13,539,875**
	Balance at 1 July 2005	**Granted as remuneration**	**On exercise of options**	**Net change other**	**Balance at 30 June 2006**
Robert Bryant	-	-	-	900,000	900,000
Kang Hong Tan	-	-	-	900,000	900,000
Christopher Baldwin	-	-	-	200,000	200,000
Total	**-**	**-**	**-**	**2,000,000**	**2,000,000**

Notes to the financial statements
For the year ended 30 June 2007

29. Related party disclosures (continued)

(f) Options holdings over ordinary shares in Money3 Corporation Limited held during the financial year by each director of Money3 Corporation Limited and key management personnel of the consolidated entity, including their personally related parties are set out below.

	Balance at 1 July 2006	Received as remuneration	Options exercised	Net change other	Balance at 30 June 2007	Total exercisable and vested	Options vested during the year
Robert Bryant	-	1,000,000	-	-	1,000,000	-	-
Kang Hong Tan	-	1,000,000	-	-	1,000,000	-	-
Total	**-**	**2,000,000**	**-**	**-**	**2,000,000**	**-**	**-**
	Balance at 1 July 2005	**Received as remuneration**	**Options exercised**	**Net change other**	**Balance at 30 June 2006**	**Total exercisable and vested**	**Options vested during the year**
-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(g) *Other transactions with key management personnel*

The financial statements include the following items of expenses that resulted from transactions other than compensation or equity holdings with key management personnel or their related entities:

	Consolidated 2007 $	Consolidated 2006 $
IPO costs paid to Fetter Gdanski Pty Ltd (*)	185,000	-
Accounting and taxation fees paid to Brown Baldwin Melbourne Pty Ltd (**)	25,481	40,252
	210,481	40,252

(*) Bettina Evert is a director of Fetter Gdanski Pty Ltd.
(**) Christopher Baldwin is a director of Brown Baldwin Melbourne Pty Ltd.

Transactions between the consolidated entity and these parties are conducted on normal commercial terms.

(h) *Transactions within the wholly owned group*

The wholly owned group includes:

- The ultimate parent entity in the wholly owned group; and
- Wholly owned controlled entities
- Accounts receivable and payable from and to entities in the wholly owned group are disclosed in Notes 10 and 15 and relate to cash advances and expenses re-allocated to and from the parent.

(i) *Transactions with other related parties*

Other related parties include:

- There are no other related party transactions

A. ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange and not shown elsewhere in this report is as follows. The information is current as at 31 August 2007.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

Distribution of Shareholdings	Ordinary Shares		Unlisted Options	
	Number of Holders	Number of Shares	Number of Holders	Number of Options
1-1,000	8	6,377	-	-
1,001-5,000	351	1,031,909	-	-
5,001-10,000	95	721,150	-	-
10,001-100,000	100	3,702,384	-	-
100,001 and over	24	21,813,180	2	2,000,000
Total	578	27,275,000	2	2,000,000
The number of ordinary shares under voluntary escrow until 19 October 2008 are:	7	13,516,375	-	-
The number of shareholders holding less than a marketable parcel of shares are:	2	977	-	-

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

	Name of Holder	Listed Ordinary Shares No. of Shares	% of Holding
1	Cranchi Pty Ltd	7,931,625	29.08
2	Platey Pty Ltd	3,445,000	12.63
3	Bellstock Pty Ltd	2,383,125	8.74
4	Quickdou Pty Ltd	1,125,000	4.12
5	Kang Hong Tan + Hwea Chong Tan <Tan Super Fund Ac>	1,100,000	4.03
6	Jagen Nominees Pty Ltd	645,555	2.37
7	Veritas Holdings Pty Ltd	622,250	2.28
8	Balmoor Pty Ltd	561,625	2.06
9	Coolgleam Pty Ltd	544,125	1.99
10	Ecroroam Pty Limited	411,125	1.51
11	Ninth Nell Pty Ltd	382,875	1.40
12	Tal-Trans Pty Ltd	382,875	1.40
13	Mr Wayne Hosking + Miss Bernadette Williams <The Hosking Super Fund Ac>	222,250	0.81
14	Kiralee Pty Ltd	215,625	0.79
15	Graeme Wood + Carol Wood	215,625	0.79
16	Toonit Pty Ltd	200,000	0.73
17	Robert Bryant + Patricia Bryant	200,000	0.73
18	Felsaero Pty Ltd	198,750	0.73
19	Jitterbug Investments Pty Ltd	165,000	0.60
20	Bluminka Pty Ltd	161,000	0.59
20	Leonardo Madafferi + Caterina Madafferi	161,000	0.59
	Top twenty shareholders	**21,274,430**	**78.00%**
	Total issued capital	**27,275,000**	**100.00%**

(c) Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares	% Held
Cranchi Pty	7,931,625	29.08
Platey Pty Ltd	3,445,000	12.63
Bellstock Pty Ltd	2,383,125	8.74

(d) Voting rights

The Company only has ordinary shares on issue.

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(e) Option holders information

The Company has issued (or may issue in the future) Options over unissued capital. The Company has a total of 2,000,000 options on issue as follows:

Director Options
The Company has issued a total of 2,000,000 options to the Directors (or their nominees) ("Director Options").

1,000,000 options each have been issued to Mr Robert Bryant and Mr Kang Hong Tan. The Director Options have the following terms:

- issue date of 1 July 2006
- exercise price: $1.20 per option.
- the options vest in full on 19 October 2009 or at anytime when an event occurs which give rise to a change in control of the Company.
- the options are not transferable and expire 30 June 2011 and may be exercised at any time between vesting and expiry date.
- if the Company after having granted these options restructure its issued share capital, ASX Listing Rules will apply to the number of Shares issued to the option holder on exercise of an option
- options will not be listed on ASX but application will be made for quotation of the shares resulting from the exercise of the options
- on issue of the resulting shares, they will rank equally with ordinary shares on issue at that time.

(f) On-market buy-back

There is no current on-market buy-back of the Company's securities.