CREDIT CORP GROUP LIMITED
ABN 33 092 697 151

Appendix 4E

ASX FULL YEAR INFORMATION – 30 June 2004

Lodged with the ASX under Listing Rule 4.3A

SUMMARY RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the twelve months ended 30 June 2004

Financial Results

Revenue from ordinary activities	Up 67%	to	$27,684,000
EBITDA	Up 123%	to	$16,494,000
Interest Paid	Up 768%	to	$ 755,000
Depreciation and Amortisation	Up 225%	to	$ 7,993,000
Earnings Before Tax	Up 59%	to	$ 7,746,000
Earnings After Tax	Up 60%	to	$ 5,353,000

A summary of the Review of Operations is included in the attached Media Release

Dividends	**30 June 2003**	**30 June 2004**
Interim Dividend	2.25 cents (100% franked)	3.25 cents (100% franked)
Final Dividend	2.85 cents (100% franked)	4.20 cents (100% franked)
Total Dividend	5.10 cents (100% franked)	7.45 cents (100% franked)

The record date for determining entitlements to the final dividend will be 3 September 2004. The dividend will be paid on 21 September 2004. The company does not currently operate a dividend reinvestment plan.

Earnings per Share	**30 June 2003**	**30 June 2004**
Basic earnings per Share	10.469 cents	14.89 cents (Up 42.2%)
Diluted earnings per share	10.097 cents	14.60 cents (Up 44.6%)
NTA per share	25.00 cents	44.09 cents (Up 76.36%)

The Financial Reports is in the process of being audited.

Media Release

Wednesday 25 August 2004

Credit Corp Group Limited today released its results for the financial year ended 30 June 2004, showing a 60% surge in net profit after tax to $5.35 million, with even greater growth in EBITDA, up 123% to $16.49 million. In detailing the results, Managing Director Simon Calleia indicated further growth, providing market guidance of a 2005 net profit of $7.1 million and EBITDA growth of 75% to $29 million in the 2005 year.

Net profit after tax of $5.35 million is an increase of 60% over the prior year, itself a 58% increase over the 2002 year. The result was driven from group revenues of $27.68 million, being 67% higher than the prior year. Most pleasing is the EBITDA result, increasing 123% to $16.49 million. In announcing the result, Directors noted "the large percentage increase in EBITDA demonstrates our capacity to deliver substantially higher revenues whilst driving cost efficiencies due to scale. We expect these benefits to continue, as demonstrated by our 2005 guidance showing further EBITDA growth to in excess of $29 million in the 2005 year, driven by revenues increasing to $45 million.

Managing Director Simon Calleia stated "critical throughout the financial year has been the robust and pro-active growth in our people. Credit Corp has a demonstrable track record of success and efficiency whilst a small company, and it has been, and remains, crucial to ensure these successes continue as we grow. We have worked hard in recruiting a high calibre management team to ensure we attract the very highest quality employees throughout the organisation, and as we have grown now to in excess of 100 employees, we are beginning to see the benefits of our work in this area. We are proud to be Employer of Choice in the receivables management sector, and continue to strive for excellence in everything we do. We are pleased these benefits are now flowing through our financial results to the benefit of our shareholders".

Credit Corp operates three major business units, being Debt Purchase, Agency Collections and Legal Support. Substantial growth has been achieved in the debt purchase business, with revenue growth from $9.9 million in the prior year to $21.4 million in 2004. This has resulted from the strong performance of existing debt ledgers, supplemented by substantial investment in new ledgers predominantly comprising consumer debt, the area in which the Company specialises, and continues to hold a key competitive advantage. Ledger investment in this business totalled $32 million in the 2004 financial year.

The Agency Collection business demonstrated modest growth over the full year, however significant client acquisition later in the financial year is expected to deliver strong growth into the future. Superior performance in relation to peers is increasingly resulting in Credit Corp being invited to, and selected in most major banking and finance collection opportunities. The legal support business, comprising the process serving division, continued to operate in a challenging market with legislative amendments curtailing some of the demand from clients in the legal profession. Directors are confident this business will show improved performance in the 2005 year, and note the importance of this business in internal services is not necessarily apparent in the financial report.

One of the most impressive aspects of the 2004 financial year performance in the 2004 year has been the delivery of substantial revenue growth whilst maintaining excellent control over expenditure. All categories of expenditure are well within targeted levels, and below their respective percentage of revenue for the prior year. Of note are employee expenses of $5.68 million, representing 20.51% of total revenue, a substantial improvement from the already efficient 24.57% achieved in the 2003 year.

Amortisation of debt ledgers has increased substantially during the year, with the $7.99 million amortisation charge representing 34.5% of average carrying level of debt ledgers throughout the year. Management conducts regular reviews of carrying values throughout the year, and confirm a conservative carrying value compared to the returns expected from the quality ledgers in which the company has invested.

Mr Calleia stated "we have funded our substantial expansion through the use of our strong cash flow generation, in combination with the judicious use of debt. Our excellent banking relationship has delivered a flexible yet powerful debt facility allowing the company, in conjunction with our other sources of capital, to participate in any opportunities as they present themselves. We have used this facility selectively through the 2004 year, and at balance date with net debt standing at $15.2 million retain 40% of this facility for future opportunities.

We are pleased to announce a substantial lift in dividend, with the final dividend of 4.2 cents lifting the full year to 7.45 cents, a 46% increase over the prior year. Our payout ratio of 50% demonstrates what we believe to be the appropriate balance between investment opportunities in the coming year and strong income returns for shareholders. We are able to distribute this amount in an environment of sustained growth and investment prospects through our substantial current and forecast cash flow generation".

Management are now focusing on the 2006 and subsequent years, comfortable with the infrastructure in place to deliver the 2005 results. We will continue to assess appropriate acquisitions, whilst communicating to shareholders the vast growth prospects inherent in our organic growth. Credit Corp continues to operate successfully in a growing market, winning an increased share of the market through superior service delivery.

Our strong start to the 2005 financial year gives us confidence in our full year guidance of $7.1 million net profit after tax, with EBITDA growth to $29 million. We are fully funded to achieve this performance, and maintain excellent sources of additional capital should the opportunity arise to undertake projects that would exceed our guidance".

CREDIT CORP GROUP LIMITED HISTORICAL ANALYSIS OF PERFORMANCE

$000's	2001	2002	2003	2004
Income and Expenditure				
Revenue	5,093	8,554	16,564	27,684
Earnings before interest, depreciation and tax	2,871	4,084	7,411	16,494
Interest paid	8	36	87	755
Depreciation / amortisation	631	989	2,456	7,993
Earnings before tax	2,232	3,059	4,868	7,746
Earnings after tax	1,473	2,117	3,339	5,353
Balance Sheet				
Current Assets	3,267	2,590	1,552	3,068
Non Current assets	4,679	7,447	10,526	35,342
Intangibles	-	5,237	4,974	4,611
Total	7,946	15,274	17,052	43,021
Current Liabilities	1,797	2,994	3,948	4,842
Non Current Liabilities	13	1,962	150	17,230
Total	1,810	4,956	4,098	22,072
Net Assets	6,136	10,318	12,953	20,948
Interest bearing Liabilities	-	750	-	17,075
Shares on Issue 000's	27,636	31,862	31,914	37,056
Cashflow				
From operating activities	2,913	2,270	5,832	14,091
From Investing activities	(632)	(6,923)	(4,447)	(30,604)
From Financing activities	757	2,866	(2,248)	17,881
Net	3,038	(1,787)	(863)	1,368
Key Statistics				
Earnings per share- basic	5.442	7.286	10.469	14.890
-diluted	5.267	7.048	10.097	14.603
Dividends per share	2.5c	3.5c	5.1c	7.45c
Profit before tax / revenue	43.84%	35.77%	29.39%	27.98%
Profit after tax / equity	24.00%	20.52%	25.78%	25.55%
NTA backing per share	22.20c	15.95c	25.00c	44.09c

For more information, please contact:

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CREDIT CORP GROUP LIMITED ABN 33 092 697 151 AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

	Note	Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
Revenues from Ordinary activities	2	27,683,841	16,563,516	21,133,944	9,839,709
Borrowing Costs		755,476	87,452	755,476	87,452
Employee expenses		5,676,710	4,069,005	3,073,627	2,000,362
Depreciation and amortisation expense		7,992,971	2,456,170	7,617,391	2,146,449
Office facility expenses		1,352,368	828,121	825,448	397,219
Collection expenses		3,525,109	3,788,438	1,136,800	935,597
Other expenses from ordinary activities		635,068	466,785	470,322	366,154
Profit from ordinary activities before income tax expense	3	7,746,139	4,867,545	7,254,880	3,906,476
Income tax expense relating to ordinary activities	4	2,404,039	1,528,257	2,166,785	1,152,984
Profit from ordinary activities after related income tax expense		5,342,100	3,339,288	5,088,095	2,753,492
Net Loss attributable to outside equity interests		11,230	-	-	-
Net profit attributable to members of the parent entity		5,353,330	3,339,288	5,088,095	2,753,492
Total changes in equity other than those resulting from transactions with owners as owners		5,353,330	3,339,288	5,088,095	2,753,492
Basic earnings per share (cents per share)	8	14.890	10.469		
Diluted earnings per share (cents per share)	8	14.603	10.097		

The accompanying notes form part of these financial statements.

CREDIT CORP GROUP LIMITED ABN 33 092 697 151 AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2004

	Note	Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
CURRENT ASSETS					
Cash assets	9	1,868,551	500,152	695,367	409,961
Receivables	10	1,059,866	995,133	1,095,335	433,612
Other	11	139,996	56,627	65,362	33,172
TOTAL CURRENT ASSETS		3,068,413	1,551,912	1,856,064	876,745
NON-CURRENT ASSETS					
Receivables	10	-	-	4,410,271	2,558,271
Investments	12	34,394,725	9,893,992	34,394,725	9,893,992
Property, plant and equipment	13	803,917	499,036	332,132	208,786
Deferred tax assets	14	143,427	132,636	143,427	73,067
Intangible assets	15	4,611,092	4,974,102	-	-
Other financial assets	16	-	-	496	6
TOTAL NON-CURRENT ASSETS		39,953,161	15,499,766	39,281,051	12,734,122
TOTAL ASSETS		43,021,574	17,051,678	41,137,115	13,610,867
CURRENT LIABILITIES					
Payables	17	1,297,275	727,584	810,978	340,738
Payables under contract of sale	17	2,609,045	2,627,143	2,609,045	777,143
Current tax liabilities	19	725,786	411,680	725,786	337,570
Provisions	20	210,128	181,798	120,539	107,011
TOTAL CURRENT LIABILITIES		4,842,234	3,948,205	4,266,348	1,562,462
NON-CURRENT LIABILITIES					
Interest bearing liabilities	18	17,075,000	-	17,075,000	-
Provisions	20	155,380	150,303	55,523	49,436
TOTAL NON-CURRENT LIABILITIES		17,230,380	150,303	17,130,523	49,436
TOTAL LIABILITIES		22,072,614	4,098,508	21,396,871	1,611,898
NET ASSETS		20,948,960	12,953,170	19,740,244	11,998,969
EQUITY					
Contributed equity	21	13,354,840	8,507,313	13,354,840	8,507,313
Retained earnings	22	7,604,840	4,445,857	6,385,404	3,491,656
PARENT EQUITY INTEREST		20,959,680	12,953,170	19,740,244	11,998,969
Outside Equity Interest	23	(10,720)	-	-	-
TOTAL EQUITY		20,948,960	12,953,170	19,740,244	11,998,969

The accompanying notes form part of these financial statements.

CREDIT CORP GROUP LIMITED ABN 33 092 697 151 AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2004

	Note	Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		27,491,574	16,751,900	20,905,266	9,763,950
Payments to suppliers and employees		(10,616,932)	(9,306,644)	(5,065,649)	(3,654,300)
Dividends received		-	34	-	34
Interest received		72,948	39,723	61,951	27,817
Borrowing costs		(755,476)	(87,452)	(755,476)	(87,452)
Income tax paid		(2,100,725)	(1,565,289)	(1,805,641)	(1,057,432)
Net cash provided by (used in) operating activities	27a	14,091,389	5,832,272	13,340,451	4,992,617
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(519,423)	(204,522)	(215,790)	(161,445)
Purchase of investments		(30,084,250)	(4,242,289)	(30,193,778)	(4,239,593)
Net cash provided by (used in) investing activities		(30,603,673)	(4,446,811)	(30,409,568)	(4,401,038)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		2,997,527	14,150	2,997,527	14,150
(Loan to) / repayment by subsidiary		-	-	(526,160)	1,237,962
Proceeds of borrowings		17,075,000	-	17,075,000	-
Repayment of borrowings		-	(750,000)	-	(750,000)
Dividends paid by parent entity		(2,191,844)	(1,512,587)	(2,191,844)	(1,512,586)
Net cash provided by (used in) financing activities		17,880,683	(2,248,437)	17,354,523	(1,010,474)
Net increase / (decrease) in cash held		1,368,399	(862,976)	285,406	(418,895)
Cash at 1 July 2003		500,152	1,363,128	409,961	828,856
Cash at 30 June 2004	9	1,868,551	500,152	695,367	409,961

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Companies Act 2001

The financial report covers the economic entity of Credit Corp Group Limited and controlled entities, and Credit Corp Group Limited as an individual parent entity. Credit Corp Group Limited is a listed public company, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. Principles of Consolidation

A controlled entity is any entity controlled by Credit Corp Group Limited. Control exists where Credit Corp Group Limited has the capacity to dominate the decision making in relation to the financial and operating policies of another entity so that the other entity operates with Credit Corp Group Limited to achieve the objectives of Credit Corp Group. A list of controlled entities is contained in Note 16 to the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

b. Income Tax

The economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Temporary differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred tax liability or as a deferred tax asset at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Deferred tax assets are not brought to account unless realisation of the asset is assured beyond reasonable doubt.

The amount of deferred tax assets brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the asset to be realised and comply with the conditions of deductibility imposed by the law.

Credit Corp Group Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation System. Credit Corp Group Limited is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group. The group notified the ATO that it had formed an income tax consolidated group to apply from 1 July 2002. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

c. Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the directors.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2.5–17%
Plant and equipment	13–40%
Computer software	40%

d. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e. Investments

Debt ledgers purchased by the company are measured on the cost basis and classified as non current assets. The cost of debt ledgers include any associated borrowing costs. The Company collects income against these ledgers on a daily basis as part of its ongoing operations. The the financial report does not however classify any portion of the ledger values as a current asset.

The carrying amount of the ledgers is reviewed semi-annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the discounted expected net cash flows from investments.

Investments in controlled entities are brought to account at cost.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. Intangibles

Goodwill on acquisition is initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at date of acquisition. Purchased goodwill is amortised on a straight line basis over 20 years, commencing on the date on which control of the acquisition was achieved. The balances are reassessed annually and any balance, representing future benefits for which the realisation is considered to be no longer probable, are written off.

g. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

h. Cash

For the purpose of the statement of cash flows, cash includes:

— cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and

— investments in money market instruments with less than 30 days to maturity.

i. Comparative Figures

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

j. Revenue

Revenue is recognised as payments are received against a ledger liability.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

	Note	Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
NOTE 2: REVENUE					
Operating activities					
— Dividends received from other corporations		-	34	-	34
— interest received from other persons		72,948	39,723	61,951	27,817
— ledger revenue		21,072,485	9,718,040	21,007,885	9,718,040
— rental revenue		64,108	37,376	64,108	93,818
— services revenue		6,474,300	6,768,343	-	-
Total Revenue		27,683,841	16,563,516	21,133,944	9,839,709

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax has been determined after				
Borrowing costs:				
— other persons	755,476	87,452	755,476	87,452
Total borrowing costs	755,476	87,452	755,476	87,452
Depreciation of non-current assets:				
— plant and equipment	106,553	72,373	52,275	30,985
Total depreciation	106,553	72,373	52,275	30,995
Write down of land	10,000	-	10,000	-
Amortisation of non-current assets:				
— Leasehold improvements	29,909	17,113	29,709	16,913
— Software expenditure	68,080	7,773	460	5,380
— Ledger Investments	7,524,947	2,093,171	7,524,947	2,093,171
— Goodwill	253,482	265,740	-	-
Total amortisation	7,876,418	2,383,797	7,555,116	2,115,464
Rental expense on operating leases				
— minimum lease payments	478,675	272,386	322,413	176,052

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
NOTE 4: INCOME TAX EXPENSE	$	$	$	$
The prima facie tax on profit from ordinary activities before tax is reconciled to the income tax as follows:				
Prima facie tax payable on profit from ordinary activities before tax income tax at 30% (2003: 30%)	2,323,841	1,460,263	2,176,464	1,171,943
Add:				
Tax effect of:				
— Non-deductible depreciation and amortisation	79,045	79,722	3,000	-
— Other non-allowable items	9,755	11,251	2,528	4,830
— Issue costs capitalised	(15,207)	(8,422)	(15,207)	(8,422)
— Over provision for income tax in prior year	-	(14,557)	-	(15,367)
— Losses in subsidiary not tax effected	6,605	-	-	-
Income tax expense attributable to profit from ordinary activities before income tax	2,404,039	1,528,257	2,166,785	1,152,984

Note 5: Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. The directors at present are yet to quantify the impact of IFRS. The company will keep stakeholders informed as to any potential material impact of IFRS.

The directors are of the opinion that the key differences in the economic entity's accounting policies which will arise from the adoption of IFRS are:

Impairment of Assets

With the exception of investments in debt ledgers the economic entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use.

Goodwill on Consolidation

Under the proposed changes to the IAS 22: Business Combinations, goodwill is to be capitalised to the statement of financial position and subjected to an annual impairment test. Amortisation of goodwill is to be prohibited. Current accounting policy of the entity is to amortise goodwill on a straight line basis over the period of 20 years.

Income Tax

Currently, the economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under the Australian equivalent to IAS 12, the economic entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
NOTE 6: AUDITORS' REMUNERATION				
Remuneration of the auditor of the parent entity for:				
— auditing or reviewing the financial report	49,750	37,950	49,750	37,950
— other services	26,129	15,739	26,129	15,739
NOTE 7: DIVIDENDS				
a)Final fully franked ordinary dividend of 2.85 cents per share paid September 2003 (2003: accrued for in 2002 year 2.5 cents)	991,234	-	991,234	-
b)Interim fully franked ordinary dividend of 3.25 cents paid March 2004 (2003: 2.25 cents)	1,203,113	718,426	1,203,113	718,426
	2,194,347	718,426	2,194,347	718,426
c)Final fully franked ordinary dividend of 4.2 cents per share recommended for payment on 21 September 2004.	1,556,472	-	1,556,472	-
	3,750,819	718,426	3,750,819	718,426
d) Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and franking debits arising from payment of proposed dividends.	2,677,736	1,517,192	1,928,995	1,009,335
NOTE 8: EARNINGS PER SHARE				
a. Reconciliation of Earnings to Net Profit.				
Earnings used in calculation of basic EPS	5,342,100	3,339,288	-	-
Notional income if options had been exercised	-	18,141		
Net loss attributable to Outside Equity Interest	11,230	-	-	-
Earnings used in calcualtion of diluted EPS	5,353,330	3,357,429	-	-

	Economic Entity 2004 $	Economic Entity 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	35,951,562	31,898,337	-	-
Weighted average number of options outstanding	706,579	1,352,548	-	-
Weighted average number of ordinary shares outstanding during the year used in calculating of dilutive EPS	36,658,141	33,250,885	-	-

c. Classification of securities

- Options outstanding

The 1,525,750 share options remaining unconverted at year-end are included in determination of dilutive EPS

NOTE 9: CASH

	Economic Entity 2004 $	Economic Entity 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
Cash at bank	1,868,551	500,152	695,367	409,961

NOTE 10: RECEIVABLES

	Economic Entity 2004 $	Economic Entity 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
CURRENT				
Trade debtors	969,204	849,884	180,226	13,498
Amounts receivable from wholly owned subsidiaries	-	-	830,736	349,865
Other debtors	90,662	145,249	84,373	70,249
	1,059,866	995,133	1,095,335	433,612
NON CURRENT				
Amounts receivable from wholly owned subsidiaries	-	-	4,410,271	2,558,271

NOTE 11 OTHER

	Economic Entity 2004 $	Economic Entity 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
Prepayments	139,996	56,627	65,362	33,172

NOTE 12

INVESTMENTS

	Economic Entity 2004 $	Economic Entity 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
Debt ledgers				
At cost	45,890,254	13,864,573	45,890,254	13,864,573
Accumulated amortisation	11,495,529	3,970,581	11,495,529	3,970,581
	34,394,725	9,893,992	34,394,725	9,893,992

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
NOTE 13: PROPERTY, PLANT AND EQUIPMENT				
LAND				
Freehold land at:				
- directors' valuation 2004 / 2003	5,000	15,000	5,000	15,000
Total Land	5,000	15,000	5,000	15,000
PLANT AND EQUIPMENT				
Plant and equipment				
At cost	859,465	491,799	410,113	243,667
Accumulated depreciation	312,382	205,836	205,354	153,080
	547,083	285,963	204,759	90,587
Leasehold improvements				
At cost	144,537	107,179	142,537	105,179
Accumulated amortisation	32,223	2,314	31,689	1,980
Total Leasehold Improvements	112,314	104,865	110,848	103,199
Computer Software				
At cost	231,393	117,001	33,385	21,400
Accumulated amortisation	91,873	23,793	21,860	21,400
	139,520	93,208	11,525	-
Total Plant and Equipment	798,917	484,036	327,132	193,786
Total Property, Plant and Equipment	803,917	499,036	332,132	208,786

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Freehold Land	Leasehold Improve-ments	Plant and Equip-ment	Computer Software	Total
	$	$	$	$	$
Economic Entity					
Balance at the beginning of year	15,000	104,865	285,963	93,208	499,036
Additions	-	37,358	367,675	114,390	519,423
Depreciation expense	-	29,909	106,553	68,080	204,542
Write down of land	10,000	-	-	-	10,000
Carrying amount at the end of year	5,000	112,314	547,085	139,518	803,917
Parent Entity:					
Balance at the beginning of the year	15,000	103,199	90,587	-	208,786
Additions	-	37,358	166,447	11,985	215,790
Depreciation expense	-	29,709	52,275	460	82,444
Write down of land	10,000	-	-	-	10,000
Carrying Amount at year end	5,000	110,848	204,759	11,525	332,132

	Economic Entity 2004	Economic Entity 2003	Parent Entity 2004	Parent Entity 2003
	$	$	$	$
NOTE 14: DEFERRED TAX ASSETS				
Future income tax benefit	143,427	132,636	143,427	73,067
NOTE 15: INTANGIBLE ASSETS				
Goodwill on acquisition at cost	5,207,819	5,317,348	-	-
Accumulated amortisation	596,727	343,246	-	-
	4,611,092	4,974,102	-	-

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
NOTE 16: OTHER FINANCIAL ASSETS				
Shares in controlled entities	-	-	496	6

	Country of Incorporation	Percentage Owned	
		2004	2003
Parent Entity:			
Credit Corp Group Limited	Australia		
Subsidiaries of Credit Corp Group Limited			
Credit Corp Australia Pty Limited	Australia	100	100
Credit Corp Collections Limited	Australia	100	100
Credit Corp Facilities Pty Limited	Australia	100	100
Credit Corp Queensland Pty Limited	Australia	100	100
Credit Corp Services Pty Limited	Australia	100	100
Alupka Holdings Pty Limited	Australia	100	100
Debtrak Pty Ltd	Australia	49	-

a. Credit Corp acquired 49% of the issued capital of Debtrak Pty Limited, for $490.

		Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
NOTE 17: PAYABLES					
CURRENT					
Unsecured liabilities					
Trade creditors		788,529	504,633	367,417	239,983
Sundry creditors and accrued expenses		508,746	222,951	443,066	69,326
Amounts payable to wholly owned subsidiaries		-	-	495	31,429
		1,297,275	727,584	810,978	340,738
Amounts due under contracts of sale	(a)	2,609,045	2,627,143	2,609,045	777,143
		3,906,320	3,354,727	3,420,023	1,117,881

(a) The 2003 balance includes $1,850,000. In October 2003 this debt was settled by the issue up to 2,055,556 fully paid shares at the issue price of 90 cents as authorised at the Extraordinary General Meeting of members on 21 August 2002.

NOTE 18: INTEREST BEARING LIABILITIES

	2004	2003	2004	2003
Bank Loan Secured	17,075,000	-	17,075,000	-

The facility is a revolving multi option facility, comprising cash advances and a bank guarantee. The main features are summarised as follows:

Term : 3 years, expiring June 2006

Security: fixed and floating charges over the company's assets

Margin: 1.25% margin to the bank bill rate for the corresponding interest period whilst the gearing ratio is less than 1.75:1. This margin increases as the gearing ratio increases, up to a maximum of 2.5% with a gearing ratio of equal to or greater than 2.5:1.

NOTE 19: CURRENT TAX LIABILITIES

	2004	2003	2004	2003
CURRENT				
Income tax	725,786	411,680	725,786	337,570

NOTE 20: PROVISIONS

	2004	2003	2004	2003
CURRENT				
Employee benefits	210,128	181,798	120,539	107,011
NON-CURRENT				
Employee benefits	155,380	150,303	55,523	49,436
a. Aggregate employee benefits liability	365,508	332,102	176,062	156,447
b. Number of employees at year end	105	72	55	32

	Note	Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
NOTE 21: CONTRIBUTED EQUITY					
37,055,849 (2003: 31,914,000) fully paid ordinary shares	21a	13,354,840	8,507,313	13,354,840	8,507,313
a. **Ordinary shares**					
At the beginning of the reporting period		8,507,313	8,493,163	8,507,313	8,493,163
Shares issued during the year					
-229,150 employee options exercised (2003: 52,000)		110,615	10,400	110,615	10,400
-2,857,143 shares issued July 2003		3,000,000	-	3,000,000	-
Share issue transaction costs		(113,088)	-	(113,088)	-
-2,055,556 shares issued October 2003 to satisfy final payment in relation to the business acquisition, as approved at EGM dated 21 August 2002		1,850,000	-	1,850,000	-
Share issue costs written back		-	3,750	-	3,750
At reporting date		13,354,840	8,507,313	13,354,840	8,507,313

	Number	Number
At the beginning of reporting period	31,914,000	31,862,000
Shares issued during year		
- employee options	229,150	52,000
- July 2003	2,857,143	-
- October 2003	2,055,556	-
At reporting date	37,055,849	31,914,000

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$

NOTE 21: CONTRIBUTED EQUITY

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands

b. **Options**

At 30 June 2004 there were 1,525,750 unissued ordinary shares (2003: 1,350,000) for which options were outstanding.

The company has established a Director and Employee Share Option Plan (Share Option Plan).

Director options: Under the Share Option Plan 1,100,000 options have been granted to Directors and director related entities. The exercise price for director options is 50 cents each. All director options expire on 18 July 2005.

In July 2003 additional options of 100,000 were granted to Mr S Calleia and 93,750 to Mr G Lucas at an exercise price of $1 with expiry being July 2008

Executive options: Of the options granted to executives 100,000 remain unexercised at 30 June 2004 (2003: 171,150)

100,000 issued in January 2004 have an exercise price of $1.53 and are exercisable before January 2009

Employee options: Of the options granted to employees 112,000 remain unexercised at 30 June 2004 (2003: 230,000). Of these options:

70,000 issued in June 2000 have a minimum exercise price of 20 cents each and are exerciseable on or before 18 July 2005 .

27,000 issued in August 2002 have an exercise price of 38 cents each and are exerciseable on or before 20 August 2007

15,000 issued in August 2002 have an exercise price of 40 cents each and are exerciseable on or before 28 August 2007.

Other Options: Of the options granted to an individual, not a director, related party or employee, 20,000 remain unexercised at 30 June 2004 (2003: 20,000)

20,000 issued in 2002 have an exercise price of 80 cents and are exercisable on or before 14 July 2005.

	Note	Economic Entity		Parent Entity	
		2004	2003	2004	2003
		$	$	$	$
NOTE 22: RETAINED PROFITS					
Retained profits at the beginning of the financial year		4,445,857	1,824,995	3,491,656	1,456,590
Net profit attributable to the members of the parent entity		5,353,330	3,339,288	5,088,095	2,753,492
Dividends provided for or paid	7	(2,194,347)	(718,426)	(2,194,347)	(718,426)
Retained profits at the end of the financial year		7,604,840	4,445,857	6,385,404	3,491,656
NOTE 23: OUTSIDE EQUITY INTERESTS IN CONTROLLED ENTITIES					
Outside equity interest comprises:					
Share capital		510	-	-	-
Accumulated losses		(11,230)	-	-	-
		(10,720)	-	-	-
NOTE 24: LEASING COMMITMENTS					
Operating Lease Commitments					
Non-cancellable operating leases contracted for but not capitalised in the financial statements					
Payable					
— not later than 1 year		678,440	384,000	557,860	318,000
— later than 1 year but not later than 5 years		1,245,420	1,421,000	1,136,880	1,415,000
		1,923,860	1,805,000	1,694,720	1,733,000

These are predominantly non cancellable property leases.

a) Lease for $113,030 pa expires in March 2006.

b) Lease for $89,700 pa expires July 2006, escalating at 7% per annum. A payment of $55,000 in September 2004 should see early release from this lease.

c) Lease for $299,000 pa expires December 2004 and be replaced with a three year lease set at market rates (expected to cost $350,000 pa).

d) Lease for $107,500 pa expires 30 June 2005.

All leases allow for sub-letting of all lease areas.

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
NOTE 25: CAPITAL COMMITMENTS				
At 30 June 2004:	9,589,000	-	9,589,000	-
a) the company is committed, through existing arrangements, to purchase certain ledgers that will become available in coming months. The details of these arrangements are commercially confidential, however the estimated investment into these ledgers is expected to be $9,589,000. These purchases will be funded by existing cashflows and facilities currently in place, and will not require further capital raising.				
b) bank guarantees to cover certain lease obligations	85,230	-	85,230	-
At 30 June 2003:				
The company was in negotiation for the purchase of a significant parcel of ledgers whereby payments totalling approximately $10 million will be made on or before 31 October 2003. Finance and a capital raising were arranged to meet this obligation	-	10,000,000	-	10,000,000
	9,674,230	10,000,000	9,674,230	10,000,000

NOTE 26:SEGMENT REPORTING

PRIMARY REPORTING BUSINESS SEGMENTS

Year ended 30 June 2004

	Ledger Acquisition	Mercantile Collection	Process Serving	Eliminations	Total
External Revenue	21,352,799	3,670,992	2,660,050	-	27,683,841
Other revenue			38,678	(38,768)	-
Total Revenue	21,352,799	3,670,992	2,698,728	(38,768)	27,683,841
Segment Result	6,866,972	750,494	128,673	-	7,746,139
Profit before income tax					7,746,139
Income tax expense					2,404,039
Net Profit					5,342,100
Assets					
Segment Assets	41,199,642	5,357,594	897,235	(4,432,897)	43,021,574
Liabilities					
Segment Liabilities	21,480,907	4,918,722	105,882	(4,432,897)	22,072,614
Other					
Depreciation and Amortisation	7,669,687	218,430	104,854	-	7,992,971

PRIMARY REPORTING BUSINESS SEGMENTS

Year ended 30 June 2003

	Ledger Acquisition	Mercantile Collection	Process Serving	Eliminations	Total
External Revenue	9,809,031	3,363,708	3,313,644		16,486,383
Other Revenue	65,227	2,463	9,443		77,133
Total Revenue	9,874,258	3,366,171	3,323,087		16,563,516
Segment Result	3,395,390	969,076	503,079		4,867,545
Profit before income tax					4,867,545
Income tax expense					1,528,257
Net profit					3,339,288
Assets					
Segment Assets	10,820,566	5,741,767	489,345		17,051,678
Liabilities					
Segment Liabilities	1,593,834	227,753	2,276,921		4,098,508
Other					
Depreciation and Amortisation	2,146,449	203,425	106,296		2,456,170

The business of ledger acquisition involves the acquisition of debt ledgers and their subsequent collection by the Company. The majority of this business has focussed on consumer debt, which is the current specialisation of the Company.

The business of mercantile collections involves the collection of receivables on behalf of clients, where income is earned as a commission on recoveries. The Company focusses on consumer debt, although a small yet increasing part of this work is the collection of commercial debt.

The business of process serving involves delivery or collection of various documents or property for an extensive client base, predominantly in relation to the collection of receivables. Although the majority of work is performed for external clients, a substantial amount of work is in relation to debts owned by the Company, or collected by the Company in its mercantile business.

Secondary Reporting - Geographic segmentation

As the company only operates in NSW there are no meaningful geographic segmentations of the business.

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
NOTE 27: CASH FLOW INFORMATION				
a) Reconciliation of Cash Flow from Operations with Profit from ordinary activities after Income Tax				
Profit from ordinary activities after income tax	5,342,100	3,339,288	5,088,095	2,753,492
Non-cash flows in profit from ordinary activities				
Amortisation	7,804,377	2,364,291	7,524,947	2,098,551
Depreciation	188,594	91,879	92,444	47,898
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
Decrease / (Increase) in trade and term debtors	(64,223)	199,517	(180,852)	(76,532)
Increase in prepayments	(83,369)	(24,375)	(32,190)	(10,171)
(Decrease) / Increase in trade creditors and accruals	567,187	(161,323)	467,248	48,018
Movement in income taxes payable	314,106	11,273	363,782	132,020
Movement in deferred tax asset	(10,791)	(48,305)	(2,638)	(36,468)
Increase in provisions	33,408	60,027	19,615	35,809
Cash flows from operations	14,091,389	5,832,272	13,340,451	4,992,617
b) Non Cash Financing and Investing Activities				
1) In October 2003 there was an issue of 2,055,556 fully paid share at 90 cents each to settle the $1,850,000 payable re acquisition of the A& K Business (refer Note 17)	1,850,000	-	1,850,000	-
2) In this year a tax agreement was signed between the parent entity and its subsidiaries. This resulted in the reclassification of subsidiary Income tax liabilities to inter company liabilities	-	-	24,434	-

NOTE 27: CASH FLOW INFORMATION

c. Credit standby arrangements with banks

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
Bank Overdraft Facility	-	-	-	-
Amount utilised	-	-	-	-
Unused Facility	-	-	-	-
Loan facilities	20,000,000	12,000,000	20,000,000	12,000,000
Amount utilised	17,075,000	-	17,075,000	-
Unused loan facilities	2,925,000	12,000,000	2,925,000	12,000,000

The facility is a revolving multi option facility, comprising cash advances and a bank guarantee. The main features are summarised as follows:

Term : 3 years, expiring June 2006

Security: fixed and floating charges over the company's assets

Margin: 1.25% margin to the bank bill rate for the corresponding interest period whilst the gearing ratio is less than 1.75:1. This margin increases as the gearing ratio increases, up to a maximum of 2.5% with a gearing ratio of equal to or greater than 2.5:1.

d. Credit Corp acquired 49% of the issued capital of Debtrak Pty Limited, for $490. There was no cashflow effect of this transaction.

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
Assets and liabilities held at acquisition date:				
Receivables	1,000	-	-	-
Property, plant and equipment	77,000	-	-	-
Payables	(77,000)	-	-	-
	1,000	-	-	-
Outside equity interests in acquisition	(510)	-	-	-
	490	-	-	-

NOTE 28: SUPERANNUATION COMMITMENTS

The company contributes on behalf of employees to Accumulated Contribution Plans only.

NOTE 29: COMPANY DETAILS

The registered office of the company is:

Level 11, 10 Barrack Street, Sydney, NSW 2000

The principal places of business are:

Level 11, 10 Barrack Street, Sydney, NSW 2000

Suite 31, 20 Gibbs Street, Miranda NSW 2228