



## **Notification to the ASX**

**Tuesday 28 January 2003**

### **Reckon Limited (RKN)**

#### **Commitments Test Entity – Fourth Quarter Report 2002**

Reckon Limited has today released its Appendix 4C cash flow statement to the ASX for the fourth quarter of the 2002 financial year. The Company's cash reserves at 31 December 2002 were \$12.1 million, an increase of \$354,000 from the \$11.7 million balance reported as at 30 September 2002. This represents an improvement of \$1.545 million against the corresponding period for the year ending 2001.

With the fourth quarter result, the full-year cash flow for 2002 for the Company was \$2.3 million.

For further information, please contact:

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\*\*\*\*\*ends\*\*\*\*\*

**Appendix 4C**  
**Quarterly report**  
**for entities admitted**  
**on the basis of commitments**

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Reckon Limited

ABN

14 003 348 730

Quarter ended ("current quarter")

31<sup>st</sup> December 2002

**Consolidated statement of cash flows**

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (...12... months) \$A'000
1.1 Receipts from customers	4,968	22,931
1.2 Payments for (a) staff costs	(1,542)	(6,452)
(b) advertising and marketing	(562)	(2,546)
(c) research and development		
(d) leased assets		
(e) other working capital		
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	181	472
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	(2,625)	(11,913)
<b>Net operating cash flows</b>	<b>420</b>	<b>2,492</b>

Item 1.7 "Other" includes manufacturing, royalties and payments to suppliers for goods and services.

		Current quarter \$A'000	Year to date (...12... months) \$A'000
1.8	Net operating cash flows (carried forward)	420	2,492
<b>Cash flows related to investing activities</b>			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)		
	(b) equity investments		
	(c) intellectual property		
	(d) physical non-current assets	(66)	(223)
	(e) other non-current assets		
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)		
	(b) equity investments		
	(c) intellectual property		
	(d) physical non-current assets		
	(e) other non-current assets		
1.11	Loans to other entities		
1.12	Loans repaid by other entities		
1.13	Other (provide details if material)		
	<b>Net investing cash flows</b>	(66)	(223)
<b>1.14</b>	<b>Total operating and investing cash flows</b>	354	2,269
<b>Cash flows related to financing activities</b>			
1.15	Proceeds from issues of shares, options, etc.		
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
1.18	Repayment of borrowings		
1.19	Dividends paid		
1.20	Other (provide details if material)		
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	354	2,269
1.21	Cash at beginning of quarter/year to date	11,720	9,805
1.22	Exchange rate adjustments to item 1.20	-	-
<b>1.23</b>	<b>Cash at end of quarter</b>	<b>12,074</b>	<b>12,074</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	100
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

The amounts referred to in clause 1.24 represents salary paid to executive directors and fees paid to non-executive directors.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Reckon acquired 100% of the shares in Electronic Business Management Systems Pty Limited. Part consideration for this was 2,000,000 shares in the listed entity.

This has been the only non-cash investment for the year and was previously notified to the ASX on 10 January 2002.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

None

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	N/A	N/A
3.2	Credit standby arrangements	N/A	N/A

+ See chapter 19 for defined terms.

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	3,574	11,720
4.2 Deposits at call	8,500	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>12,074</b>	<b>11,720</b>

### Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does */does not\** (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: .....  
 (Director/Company secretary)

Print name: .....

+ See chapter 19 for defined terms.

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.

??	6.2	- reconciliation of cash flows arising from operating activities to operating profit or loss
??	9.2	- itemised disclosure relating to acquisitions
??	9.4	- itemised disclosure relating to disposals
??	12.1(a)	- policy for classification of cash items
??	12.3	- disclosure of restrictions on use of cash
??	13.1	- comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.