

FORM: Half yearly/preliminary final report

Name of *issuer*

AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES

ACN or ARBN

109 469 383

Half yearly
(tick)

✓

Preliminary
final (tick)

Half year/financial year ended
(‘Current period’)

01/07/2013 to 31/12/2013

For announcement to the market

				\$A,000
Revenue	down	49%	to	178
Profit (loss) for the period	down	108%	to	(236)
Profit (loss) for the period attributable to members of the parent	down	108%	to	(236)
Dividends		Current period		Previous corresponding period
Franking rate applicable:		N/A		N/A
Final dividend <i>(preliminary final report only)</i>				
Amount per <i>security</i>		N/A		N/A
Franked amount per <i>security</i>				
Interim dividend <i>(Half yearly report only)</i>				
Amount per <i>security</i>		N/A		N/A
Franked amount per <i>security</i>				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
N/A				

NTA Backing

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security (cents)	(0.13)	(0.40)

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange.

Identify other standards used

N/A

2. This statement, and the financial statements under the *Corporations Act 2001* (if separate), use the same accounting policies.
3. This statement does/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.
4. This statement is based on financial statements to which one of the following applies:
- | | |
|---|--|
| <input type="checkbox"/> The financial statements have been audited. | <input checked="" type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/~~will follow immediately they are available~~* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The issuer ~~has~~/does not have* (*delete one*) a formally constituted audit committee.

Sign here:



Date:

(Director/Company secretary)

Print name: Paul Niederer

AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED
ABN 21 109 469 383

INTERIM CONSOLIDATED FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

The information contained in this report is to be read in conjunction with Australian Small Scale Offerings Board Limited and Controlled Entities' 2013 annual report and any announcements to the market by Australian Small Scale Offerings Board Limited and Controlled Entities during the half-year period ended 31 December 2013.

AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES

ABN 21 109 469 383

INTERIM CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

Contents

	Page
Directors' Report	5
Auditor's Independence Declaration under Section 307C of the <i>Corporations Act 2011</i>	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Consolidated Financial Statements	12
Directors' Declaration	15
Independent Auditor's Review Report to the Members	16

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

The directors present their report on the consolidated group, consisting of Australian Small Scale Offerings Board Limited and the entities it controlled, for the half-year ended 31 December 2013.

Directors

The names of the directors in office during the half-year and until the date of this report are as follows unless otherwise stated:

Mr Anthony Puls
Mr Paul Niederer
Ms Susan Williams
Mr Christopher Tyrrell

Company overview

The Australian Small Scale Offerings Board remains the largest and most effective capital raising platform for showcasing and facilitating equity investment opportunities in high-growth, unlisted Australian companies. ASSOB's core business continues to raise capital for Australian businesses that have found difficulty in obtaining bank finance and funding elsewhere.

Worldwide there is intense interest in ASSOB's processes and technology as it is the only company in the world to have run an internet based equity investment platform that has been operational for seven years. The Directors' believe that international expansion of the platform will happen within the next year.

Operating results

The consolidated group's operating result after tax for the half year ended 31 December 2013 was a loss of \$236,688 (2012 loss: \$113,545).

In the latter part of last year staff were heavily engaged in on-boarding the American licensee of the ASSOB platform. This has involved visits to the market as well as development work by the IT team. The American implementation is important as the developments achieved will form the basis for a world rollout of similar platforms "powered by ASSOB".

In Australia we still await regulatory change. A number of countries worldwide have eased the burden for start-ups and small businesses to obtain funding from those around the company that are passionate about its possibilities. The average share purchase transaction on the ASX is nearing \$5,000 a trade while share transactions on ASSOB are still running around \$35,000. Many friends, fans, family and followers are willing to invest but are unable to provide the average transaction amount of \$35,000. Just a few small changes to Australia's existing small scale offering legislation would put it in the lead worldwide in this space. Most Australian businesses are not heading to Silicon valley or are attractive to sophisticated and professional investors. Until the government moves proactively towards leveling the playing field for seed and early stage funding ASSOB will continue to face this headwind.

During the latter part of this calendar year new income will begin to flow from two new sources. Firstly license sale income from the joint venture. Secondly the American licensee is in the final stages of taking their Offerboard.com platform live which is based on the ASSOB platform. An income stream will also flow to ASSOB as this platform grows.

The Directors continue to focus on balancing expenditure with income while ensuring ASSOB continues to provide a cost effective platform for unlisted companies to raise capital.

Dividends

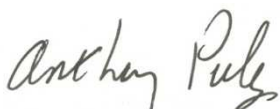
No dividends were paid or proposed during the half-year ended 31 December 2013.

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 for the half year ended 31 December 2013.

This report is made in accordance with a resolution of directors.

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'Anthony Puls', written in a cursive style.

Anthony Puls
Director

Dated this 14 day of March 2014



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the review of Australian Small Scale Offerings Board Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Australian Small Scale Offerings Board Limited and the entities it controlled during the period.

Frank Vrachas

Partner

Rothsay Chartered Accountants

Sydney, 14 March 2014



Chartered Accountants

Level 1, 12 O'Connell Street, Sydney NSW 2000
GPO Box 542, Sydney NSW 2001
Phone: (02) 8815 5400 Fax: (02) 8815 5401

ABN: 59 087 479 410



Liability Limited
by a scheme approved
under Professional
Standards Legislation

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

Continuing Operations	Note	Consolidated Group	
		31.12.13	31.12.12
		\$	\$
Revenue		163,689	316,288
Other income	3	10,500	31,249
Interest income		3,600	348
Total revenue		<u>177,789</u>	<u>347,885</u>
Depreciation and amortisation expense		(20,566)	(20,053)
Employee benefits expenses		(178,724)	(168,123)
Occupancy costs		(29,688)	(37,546)
Sales and marketing expenses		(2,483)	(3,566)
Other cost of sales		(1,200)	(16,914)
Office expenses		(8,788)	(16,568)
Travel costs		(14,929)	(7,630)
Telephone and internet costs		(6,404)	(19,263)
Legal expenses		-	-
Professional expenses		(42,103)	(42,937)
Financial costs		(23,903)	(22,350)
Licencing Fees		(28,307)	(13,600)
Other expenses from ordinary activities		(51,280)	(76,335)
Total Expenses		<u>(408,375)</u>	<u>(444,885)</u>
Loss before income tax		(230,586)	(97,000)
Income tax benefit (expense)		(6,102)	(16,545)
Loss for the period		<u>(236,688)</u>	<u>(113,545)</u>
Other comprehensive income (loss) for the period		-	-
Total comprehensive income (loss) for the period		<u>(236,688)</u>	<u>(113,545)</u>

Earnings per share

From continuing operations:

Basic earnings (loss) per share (cents)	(0.13)	(0.08)
Diluted earnings (loss) per share (cents)	(0.13)	(0.08)

The accompanying notes form part of this report

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Note	Consolidated Group 31.12.13 \$	30.06.13 \$
ASSETS			
Current Assets			
Cash and cash equivalents		191,669	49,144
Trade and other receivables		88,156	651,305
Current tax receivable	6	46,511	46,511
Total Current Assets		<u>326,336</u>	<u>746,960</u>
Non-Current Assets			
Property, plant and equipment		32,229	36,623
Deferred tax assets		-	-
Intangible assets		73,853	78,679
Total Non-Current Assets		<u>106,082</u>	<u>115,302</u>
TOTAL ASSETS		<u>432,418</u>	<u>862,262</u>
LIABILITIES			
Current Liabilities			
Trade and other payables		133,337	236,101
Borrowings	4	-	60,000
Provisions		43,136	62,842
Total Current Liabilities		<u>176,473</u>	<u>358,943</u>
Non-Current Liabilities			
Borrowings	4	456,501	456,501
Other provisions		8,262	4,710
Total Non-Current Liabilities		<u>464,763</u>	<u>461,211</u>
TOTAL LIABILITIES		<u>641,236</u>	<u>820,154</u>
NET LIABILITIES		<u>(208,818)</u>	<u>42,108</u>
Shareholders' Equity			
Issued share capital	5	16,017,934	16,032,172
Accumulated Losses		(16,226,752)	(15,990,064)
TOTAL EQUITY		<u>(208,818)</u>	<u>42,108</u>

The accompanying notes form part of this report

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

	Note	Issued Capital Ordinary \$	Accumulated Losses \$	Total \$
Balance at 1.7.2012		15,292,480	(15,664,539)	(372,059)
Loss for the period		-	(113,545)	(113,545)
Other comprehensive income		-	-	-
Total comprehensive income for the period		-	(113,545)	(113,545)
Shares issued during the period		8,000	-	8,000
Balance at 31.12.2012		15,300,480	(15,778,084)	(477,604)
Balance at 1.7.2013		16,032,172	(15,990,064)	42,108
Loss for the period		-	(236,688)	(236,688)
Other comprehensive income		-	-	-
Total comprehensive income for the period		-	-	(236,688)
		-	(236,688)	
Costs of raising capital	5	(14,238)	-	(14,238)
Balance at 31.12.2013		16,017,934	(16,226,752)	(208,818)

The accompanying notes form part of this report

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

	Note	Consolidated Group 31.12 2013 \$	31.12.2012 \$
Cash flows from operating activities			
Receipts from customers		154,096	308,094
Other income		-	31,249
Interest received		3,600	348
Payments to suppliers and employees		(459,293)	(405,307)
Finance costs		(37,178)	(15,648)
Income tax refund received	6	-	57,854
Net cash provided by (used in) operating activities		(338,775)	(23,410)
Cash flows from investing activities			
Prepayment of joint venture investment		(53,725)	-
Purchase of non-current assets		(11,346)	(6,376)
Proceeds from issue of shares		626,711	-
Net cash (used in) investing activities		561,640	(6,376)
Cash flows from financing activities			
Loan from related parties – proceeds from borrowings		-	25,000
Loan from related parties – payments made	4	(60,000)	-
Costs of raising capital		(20,340)	-
Net cash flow provided by financing activities		546,371	25,000
Net increase (decrease) in cash held		142,525	(4,786)
Cash and cash equivalents at beginning of the half year		49,144	30,869
Cash and cash equivalents at the end of the half financial year		191,669	26,083

The accompanying notes form part of this report.

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

Note 1: Summary of Significant Accounting Policies

(a) Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Australian Small Scale Offerings Board Limited and its controlled entities (referred to as the Consolidated Group or Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2013, together with any public announcements made during the half-year in accordance with NSX listing rules and the Corporations Act 2001.

The financial report was authorised by the board of director's for issue 14 March 2014.

(b) Going Concern

The consolidated entity has a net loss of \$236,688 (2012: \$113,545) for the half year ended 31 December 2013, and as of that date net liabilities of \$208,818 (net assets 30 June 2013: \$42,108) and net current assets of \$149,863 (net current liabilities 30 June 2013: \$388,017).

These matters give rise to a material uncertainty that may cast significant doubt whether the Consolidated Entity can continue as a going concern and realise their assets and extinguish their liabilities in the ordinary course of business and at amounts stated in the consolidated financial report.

The Consolidated Entity's ability to continue as a going concern is dependent upon the following objectives:

- (a) Generating positive cash flows from its operational revenues due to operating on a much lower cost structure and the addition of a new profiling board on ASSOB to handle raises between \$2 million and \$100 million using developments being pioneered by the platform licensed to the American market
- (b) Continued support and funding from a director to provide funds by extending the due date of outstanding loans;
- (c) Continued support from US partner in both financial and technology areas including the integration of processes to handle transactions between \$2 million and \$100 million via the platform;
- (d) The American platform will go live in the next month and this will provide a new income stream to ASSOB;
- (e) The JV for marketing ASSOB's IP internationally will start operations in the next month and ASSOB will be the recipient of income from on-boarding fees, license fees and licensing revenue; and
- (f) For capital raises under \$2 million ASSOB is seeking to align itself with a large national entity that has a substantial number of SME customers that can use the proven ASSOB platform to raise the funds they need to grow their businesses and employ more people.

With regard to point (a), the Directors have in the last two month lowered operating costs by not replacing staff lost through natural attrition and finished the programming for a second capital raising board on assob.com.au

With regard to point (b), the Directors have received a document to extend the loans

With regard to point (c), the Directors have received a letter of support and knowledge transfer in handling deals in between \$2 million to \$100 million.

With regard to point (d), the Directors are assisting the American platform to go live.

With regard to point (e), the Directors have finalised the JV agreement and have advanced negotiations with the next country to adopt the ASSOB platform.

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 31 December 2013

With regard to point (f), the Directors have shortlisted several parties and approaches have been made in some cases.

Based on the above the Directors are of the opinion that the Group will continue to be able to meet its obligations as they become due and payable over the next twelve months.

(c) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim consolidated financial report as were applied in the most recent report for the year ended 30 June 2013.

(d) Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2013 annual report.

Note 2: Profit for the Period

The following expense item is relevant in explaining the financial performance for the interim period:

	Consolidated Group	31.12.12
	31.12.13	\$
Loss on disposal of property, plant and equipment	-	8,662

Note 3: Other income

The following income item is relevant in explaining the financial performance for the interim period:

	Consolidated Group	31.12.12
	31.12.13	\$
Write off of debt no longer payable	10,500	31,249

Note 4: Borrowings

CURRENT

Loans from current and former shareholders
Total current borrowings

	Consolidated Group	30.06.13
	31.12.13	\$
Loans from current and former shareholders	-	60,000
Total current borrowings	-	60,000

NON-CURRENT

Loans from current and former shareholders
Other non-current loans
Total non-current borrowings

Loans from current and former shareholders	307,198	307,198
Other non-current loans	149,303	149,303
Total non-current borrowings	456,501	456,501

Note 5: Share Capital

At the beginning of the reporting period
Shares issued during the period
Less: costs associated with raising share capital
Fully paid ordinary shares

	Consolidated Group	30.06.13
	31.12.13	\$
At the beginning of the reporting period	16,032,172	15,292,480
Shares issued during the period	-	794,000
Less: costs associated with raising share capital	(14,238)	(54,308)
Fully paid ordinary shares	16,017,934	16,032,172

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 31 December 2013

	Consolidated Group	
	31.12.13	30.06.13
(a) Ordinary Shares	No.	No.
At the beginning of the reporting period	177,650,001	140,678,948
Shares issued during the period	-	36,971,053
At the end of the reporting period	<u>177,650,001</u>	<u>177,650,001</u>

Note 6: Income Tax

	Consolidated Group	
	31.12.13	30.06.13
	\$	\$
CURRENT		
Income tax receivable – R&D Refund	<u>46,511</u>	<u>46,511</u>

Note 7: Segment Reporting

The Group operates in Australia in only one operational segment; therefore, for the period ended 31 December 2013, there has been no change from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

Note 8: Events after the End of the Interim Period

There were no material events subsequent to 31 December 2013 that have significantly affected or may significantly affect the Group.

Note 9: Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting period.

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ABN 21 109 469 383
AND CONTROLLED ENTITIES**

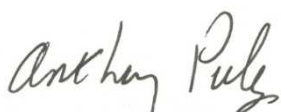
DIRECTORS' DECLARATION

In the directors' opinion:

- 1) the financial statements and notes set out on pages 8 to 14 are in accordance with the Corporations Act 2001, including:
 - a) complying with AASB 134 Interim Financial Reporting, and mandatory professional reporting requirements; and
 - b) giving a true and fair view of the consolidated group's financial position as at 31 December 2013 and of its performance, for the half-year ended on that date; and
- 2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Signed on behalf of the Directors



Anthony Puls
Director

14 March 2014
Robina Qld



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Australian Small Scale Offerings Board Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year consolidated financial report of Australian Small Scale Offerings Board Limited, which comprises the consolidated statement of financial position as at 31 December 2013, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising Australian Small Scale Offerings Board Limited and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation of the consolidated half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Australian Small Scale Offerings Board Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chartered Accountants

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ABN: 59 087 479 410



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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Small Scale Offerings Board Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Australian Small Scale Offerings Board Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the half year financial report, which indicates that the consolidated entity incurred a net loss of \$236,688 (2012: \$113,545) for the half year ended 31 December 2013 and, as of that date, the consolidated entity's total liabilities exceeded its total assets by \$208,818. These conditions, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Rothsay Chartered Accountants



Frank Vrachas

Partner

Sydney, 14 March 2014