
Australian Concise Financial Assessment - Credit

KVAERNER E & C AUSTRALIA PTY LTD

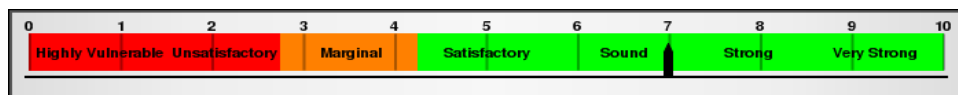
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Assessment Requested:	JACOBS
Prepared for:	CSC 0003
On behalf of:	CSC Test
Report prepared by:	Corporate Scorecard Pty Ltd
Job Number:	3522
Analyst:	Shannon Fagg
Phone:	07 3102 0010



Overview

Organisation Name	KVAERNER E & C AUSTRALIA PTY LTD
ABN	56004239972
ACN	004239972
Ultimate Parent	
Trustee	
Head Office Address	Level 6 600 St Kilda Rd St Kilda Road Melbourne VIC 3004
Telephone	
Line of Business	
ANZSIC Code(s)	
Year Established	
Court Actions & Litigation	Yes



Probability of Adverse	0.42% in next 12 months
Probability of Failure	0.12% in next 12 months
Key Contributing Factors	Director Information, Company Registration, Enquiry Pattern
Rating	Sound
Equifax Score (1 - 10)	7
Pass/Fail	Pass

About Score

Bureau scores use available Equifax's bureau data to calculate a risk estimate. The primary purpose of this score is to predict the likelihood of a future adverse event being recorded on the company's Equifax's bureau file or that the company will go into receivership or external administration in the next 12 months. This bureau score incorporates information available on the company's bureau file as well as on the Equifax's bureau files of the company directors, whose bureau files form part of this report, and other companies and/or businesses associated with each of those directors. Where you do not have consent to see the consumer credit file of all directors, the score uses only commercial & public record information on all directors' files.

1 Probability of Adverse - is the probability expressed as a percentage that an adverse event (e.g. an external administration, petition to wind up, court judgement, court writ, payment default, or mercantile enquiry) will be lodged on the Equifax's bureau file of the company within the next 12 months.

2 Probability of Failure - is the probability expressed as a percentage that a serious adverse event (e.g. an external administration, petition to wind up) will be lodged on the Equifax bureau file of the company within the next 12 months.

3 Key contributing factors - are the factors that contribute most in either a positive or a negative way to the overall score.

DISCLAIMER: The score is a statistical rank ordering tool only and as such should always be used in conjunction with your organisation's credit policies and procedures and other relevant information you may have about the company or business. The score should not be and is not intended to be the sole basis for making a decision about whether or not to deal with a particular individual, company or business.



Credit Limit	\$250,000
Duration	N/A
Type	30 day account
Rating	Sound
Score (1 - 10)	6.23
Pass/Fail	Pass

Executive Summary

Documentation	The assessment was made on the basis of information provided by the subject and other sources. All documents and information requested was provided on a confidential basis and no documents were withheld.
Related Party Risk	<p>The subject had loans to related parties of \$250,832 at 30 June 2010.</p> <p>Loans from related parties totalled \$835,860 at 30 June 2010.</p> <p>No counterparty risk assessment has been carried out on the recoverability of the related party loans.</p>
Assessment Results	<p>The subject achieved a Sound rating for a credit limit of \$250,000 and a Satisfactory rating for a credit limit of \$500,000.</p> <p>It achieved a Marginal rating for a credit limit of \$1,000,000.</p>
Key Points and Recommendations	<ul style="list-style-type: none"> - Well established manufacturer of IT equipment - Traded profitably in the 2 years to June 2010 with an erosion in margins - High dividend payout ratio - Revenue declined by 21.09% in 2010 - Working capital positive at June 2010 although it deteriorated from 12 months prior - Minor improvement in gearing although it remains high <p>It is recommended that if the subject is approved for a credit limit of \$1,000,000, consideration should be given to obtaining extra security in the form of (but not limit to) a registered charge, bank guarantee or security deposit.</p>
Disclaimer	The assessment is information for the exclusive use of the client and is not to be disclosed to any other third party without the consent of Corporate Scorecard. The findings contained in this report are designed to provide an assessment of the financial viability and capacity of the entity and are valid at the time of the review. These findings are based on a review of the financial statements and related information, and are qualified according to the scope of the analysis. This assessment does not include an ongoing review of the financial viability of the entity. Corporate Scorecard has a range of more detailed reports available.

Corporate Details

Registered Name	KVAERNER E & C AUSTRALIA PTY LTD
Registered Address	51 Kay Street Traralgon VIC 3844
Incorporation/Registration Date	09 Jan 1945
State (Country) of Incorporation	VIC
Status	REGISTERED
Former Name(s)	KVAERNER PROCESS (AUSTRALIA) PTY LTD KVAERNER JOHN BROWN PTY LTD DAVY JOHN BROWN PTY. LTD. DAVY MCKEE PACIFIC PTY. LTD. DAVY PACIFIC PTY. LTD. DAVY-ASHMORE PROPRIETARY LIMITED THE POWER-GAS CORPORATION (AUSTRALASIA) PROPRIETARY LIMITED THE POWER-GAS CORPORATION (AUSTRALASIA) LIMITED
Entity Type	Unknown
Share Capital	\$149,000.00

Shareholders

Name	Address	Shares Held	Class
SMITH & LANE HOLDINGS LTD	Gpo Box 8804 Brisbane QLD 4001	74000	ORD

Officeholders

Director Name	Address	Date of Birth	Appointment Date
PAMELA TREGENZA	105 Hundred Milne Georgetown SA 5472	01 Jan 1930	01 May 2003
JAMES ERNEST BLOGGS	76 Kay St Traralgon VIC 3844	01 Jan 1952	01 May 2003
Secretary Name	Address	Date of Birth	Appointment Date
DAMIEN FRANCIS POWER	19 Frodsham Road Ringwood VIC 3134	27 Aug 1956	07 Dec 1998
JAMES ERNEST BLOGGS	76-78 Kay Street Traralgon VIC 3844	01 Jan 1952	01 May 2003
JACK JONES	Part Section 105 Hundred Of Milne Georgetown SA 5472	01 Jan 1930	01 May 2003

Personal Property Securities Register

Registration Number	Date Expires	Collateral Type	Collateral Class	Secured Party
201308120000374	12 Aug 2020	COMMERCIAL	Motor vehicle	Test Org
201308120000361	12 Aug 2020	COMMERCIAL	Motor vehicle	Test Org
201308120000326	12 Aug 2020	COMMERCIAL	All present and after-acquired property - No exceptions	Test Org
201308120000335	12 Aug 2020	COMMERCIAL	All present and after-acquired property - No exceptions	Test Org
201308120000342	12 Aug 2020	COMMERCIAL	All present and after-acquired property - No exceptions	Test Org
201308120000357	12 Aug 2020	COMMERCIAL	Motor vehicle	Test Org

Business Profile

Organisation Name	KVAERNER E & C AUSTRALIA PTY LTD
Head Office Address	Level 6 600 St Kilda Rd St Kilda Road Melbourne VIC 3004
Telephone	
Mobile	
Facsimile	
Website	

Organisation Profile	<p>The subject was incorporated in July 1992 and was founded by John Jones as a new venture.</p> <p>Pamela Tregenza joined the company as a Director in September 2001 and has been a Shareholder since July 2005.</p> <p>The subject is involved in the manufacture and supply of IT equipment including desktops, laptops, servers and peripherals.</p>
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Summary Financial Statement

	KVAERNER E & C AUSTRALIAPTY LTD	30-Nov-99	30-Nov-99
	Statement of Financial Performance		
	Sales Revenue	\$0	\$0
	Cost of Goods Sold	\$0	\$0
	Gross Profit	\$0	\$0
	Depreciation & Amortisation	\$0	\$0
	Finance Costs	\$0	\$0
	Profit before Tax	\$0	\$0
	Profit after Tax	\$0	\$0
	Statement of Financial Position		
Assets	Trade Debtors	\$0	\$0
	Inventories	\$0	\$0
	Total Current Assets	\$0	\$0
	Non-Current Tangible Assets	\$0	\$0
	Intangibles	\$0	\$0
	Total Assets	\$0	\$0
Liabilities	Trade Creditors	\$0	\$0
	Total Current Liabilities	\$0	\$0
	Total Non-Current Liabilities	\$0	\$0
	Total Liabilities	\$0	\$0
Equity	Retained Earnings	\$0	\$0
	Total Equity	\$0	\$0

Key Ratios

KVAERNER E & C AUSTRALIAPTY LTD	30-Nov-99	30-Nov-99
Balance Sheet		
Net Tangible Worth	\$1,999,000	\$1,733,000
Working Capital	\$-173,000	\$-539,000
Working Capital to Sales	-0.13%	-3.60%
Reinvestment	%	%
Profitability Ratios		
Gross Profit Margin	92.44%	24.14%
Net Profit Margin	%	%
Return on Assets	3.35%	3.11%
Return on Equity	%	%
Liquidity Ratios		
Current Ratio (Times)	0.93	0.84
Quick Ratio (Times)	0.86	0.75
Debtors Turnover (Days)	3.89	43.74
Creditors Turnover (Days)	37.78	40.11
Debt Ratios		
Gearing	68.85%	73.45%
Debt to Equity	221.06%	276.69%
Leverage (Times)	14.25	15.22
Interest Coverage (Times)	0.91	1.15

Note: Where year to date financials have been used, ratios that have been derived using figures from the Profit & Loss Account may not provide an accurate representation of the subject. In these cases, reference should be made to the prior year ratios, which are based on full year figures.

Trade Credit Report

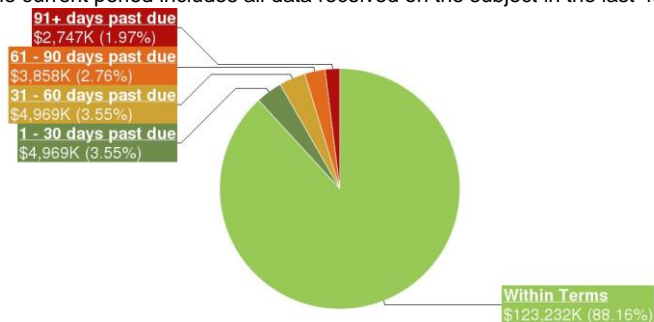
Trade Payments

Payment Performance Summary

Total Owing (current)	Total Past Due (current)	Avg Total Owing (last 4 periods)	Trade References (last 24 periods)
\$139,775	\$16,543	\$78,159	32

Current Period: \$ outstanding

The current period includes all data received on the subject in the last 45 days.



Current Period

Highest total owing to a single creditor	\$139,775
Highest total owing past due to a single creditor	\$16,543

Last Four Periods

% of debt > 31 days past due	14.8%
% of debt > 61 days past due	8.5%
% of debt > 91 days past due	3.5%

Highest single debt > 31 days past due	\$11,574
Highest single debt > 61 days past due	\$6,605
Highest single debt > 91 days past due	\$2,747

Late Payment Details

The Late Payment Days rating measures the average number of days beyond terms that the subject is taking to pay its invoices.

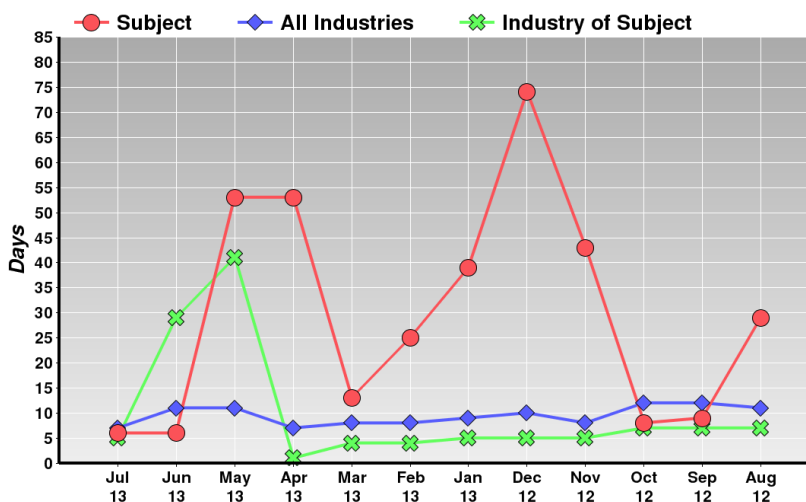
Performance

Avg Industry Performance

Industry Late Payment Days are an indication of the average number of days all organisations within the subject's industry sector(s) are paying their creditors.

Subject	All Industries	Professional, Scientific and Technical Services
6 Late payment days No Trend Data	7 Late payment days	5 Late payment days

Payment Performance History



Compares the Late Payment performance of the subject over time to a related industry. The 'All Industries' line shows the performance of all entities that Equifax holds late payment information on.

Payment Performance by Size of Debt

Shows the payment performance of the subject by the size of debt over the past 24 periods. Each payment reference is for a single creditor.

Size of Debt	No. of References	Total Value (\$AUD)	Within Terms	1-30 days	31-60 days	61-90 days	91+ days
0 - 1,000	6	\$3,160	42.93%	30.12%	26.95%	0.00%	0.00%
1,001 - 5,000	5	\$12,486	62.97%	25.31%	4.43%	7.29%	0.00%
5,001 - 20,000	12	\$130,042	45.67%	22.58%	11.74%	10.03%	9.98%
20,001 - 50,000	7	\$178,362	61.54%	33.24%	0.97%	3.69%	0.56%
50,001 - 100,000	0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%
100,001 - 500,000	2	\$279,549	88.16%	3.55%	3.55%	2.76%	1.97%
> 500,000	0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%
Total	32	\$603,599	70.39%	17.02%	4.69%	4.68%	3.23%

Payment History by Period

Shows the aggregated amount the subject owes by period and age of debt across all creditors that currently provide payment references to Equifax. Data shows up to 24 periods.

Period	Total Owing	Within Terms	1-30 days	31-60 days	61-90 days	91+ days
Jul-13	\$139,775	\$123,232	\$4,969	\$4,969	\$3,858	\$2,747
Jun-13	\$139,775	\$123,232	\$4,969	\$4,969	\$3,858	\$2,747
May-13	\$16,543	\$0	\$4,969	\$4,969	\$3,858	\$2,747
Apr-13	\$16,543	\$0	\$4,969	\$4,969	\$3,858	\$2,747
Mar-13	\$32,211	\$19,768	\$7,976	\$525	\$2,936	\$1,006
Feb-13	\$9,303	\$7,039	\$99	\$0	\$0	\$2,165
Jan-13	\$36,768	\$23,948	\$2,659	\$1,200	\$3,638	\$5,323
Dec-12	\$5,446	\$0	\$123	\$0	\$5,323	\$0
Nov-12	\$5,696	\$123	\$250	\$5,323	\$0	\$0
Oct-12	\$45,489	\$20,070	\$25,420	\$0	\$0	\$0
Sep-12	\$30,467	\$23,707	\$6,761	\$0	\$0	\$0
Aug-12	\$31,281	\$4,767	\$25,663	\$851	\$0	\$0
Jul-12	\$29,407	\$28,563	\$844	\$0	\$0	\$0
Jun-12	\$1,177	\$844	\$333	\$0	\$0	\$0
May-12	\$6,643	\$4,465	\$2,178	\$0	\$0	\$0
Apr-12	\$9,705	\$5,322	\$4,383	\$0	\$0	\$0
Mar-12	\$17,818	\$17,818	\$0	\$0	\$0	\$0
Feb-12	\$27,078	\$21,719	\$5,359	\$0	\$0	\$0
Oct-11	\$229	\$0	\$229	\$0	\$0	\$0
Sep-11	\$782	\$229	\$553	\$0	\$0	\$0
Aug-11	\$1,463	\$0	\$0	\$553	\$910	\$0

Detailed Payment References

Displays the last (up to) 100 payment reference by contributor recorded against the subject.

Period	Contributor Id	Contributor Industry	Total Owing	Within Terms	1-30 days	31-60 days	61-90 days	91+ days
Jul-13	945	Arts and Recreation Services	\$139,775	\$123,232	\$4,969	\$4,969	\$3,858	\$2,747
Jun-13	945	Arts and Recreation Services	\$139,775	\$123,232	\$4,969	\$4,969	\$3,858	\$2,747
May-13	945	Arts and Recreation Services	\$16,543	\$0	\$4,969	\$4,969	\$3,858	\$2,747
Apr-13	945	Arts and Recreation Services	\$16,543	\$0	\$4,969	\$4,969	\$3,858	\$2,747
Mar-13	254	Mining	\$10,973	\$3,934	\$7,039	\$0	\$0	\$0
Mar-13	93	Manufacturing	\$21,238	\$15,834	\$937	\$525	\$2,936	\$1,006
Feb-13	254	Mining	\$9,303	\$7,039	\$99	\$0	\$0	\$2,165
Feb-13	646	Electricity, Gas, Water and Waste Services	\$4,277	\$4,277	\$0	\$0	\$0	\$0
Jan-13	254	Mining	\$5,422	\$99	\$0	\$0	\$0	\$5,323
Jan-13	93	Manufacturing	\$27,068	\$19,572	\$2,659	\$1,200	\$3,638	\$0
Dec-12	254	Mining	\$5,446	\$0	\$123	\$0	\$5,323	\$0
Nov-12	254	Mining	\$5,696	\$123	\$250	\$5,323	\$0	\$0
Oct-12	254	Mining	\$23,201	\$250	\$22,951	\$0	\$0	\$0
Oct-12	93	Manufacturing	\$22,288	\$19,820	\$2,468	\$0	\$0	\$0
Sep-12	254	Mining	\$27,470	\$23,707	\$3,763	\$0	\$0	\$0
Sep-12	714	Professional, Scientific and Technical Services	\$2,997	\$0	\$2,997	\$0	\$0	\$0
Aug-12	254	Mining	\$30,430	\$4,767	\$25,663	\$0	\$0	\$0
Aug-12	372	Other Services	\$851	\$0	\$0	\$851	\$0	\$0
Jul-12	254	Mining	\$26,666	\$25,822	\$844	\$0	\$0	\$0
Jul-12	372	Other Services	\$2,741	\$2,741	\$0	\$0	\$0	\$0
Jun-12	254	Mining	\$1,008	\$844	\$163	\$0	\$0	\$0
Jun-12	142	Professional, Scientific and Technical Services	\$170	\$0	\$170	\$0	\$0	\$0
May-12	254	Mining	\$6,643	\$4,465	\$2,178	\$0	\$0	\$0
Apr-12	254	Mining	\$8,577	\$4,194	\$4,383	\$0	\$0	\$0
Apr-12	90	Other Services	\$234	\$234	\$0	\$0	\$0	\$0
Apr-12	90	Other Services	\$894	\$894	\$0	\$0	\$0	\$0
Mar-12	254	Mining	\$17,818	\$17,818	\$0	\$0	\$0	\$0
Feb-12	254	Mining	\$17,818	\$17,818	\$0	\$0	\$0	\$0
Feb-12	93	Manufacturing	\$9,260	\$3,901	\$5,359	\$0	\$0	\$0
Oct-11	254	Mining	\$229	\$0	\$229	\$0	\$0	\$0
Sep-11	254	Mining	\$782	\$229	\$553	\$0	\$0	\$0
Aug-11	254	Mining	\$1,463	\$0	\$0	\$553	\$910	\$0

Adverse

Action Date	Action Type	Amount	Creditor	Plaint Number	Court Type	Status
29 Jul 2013	JUDGEMENT	\$52,485	PAULS CREDITORS	1005/11/2NSW	DISTRICTCOURTJUDGEMENT	PAID
29 Jul 2013	WRIT	\$1,000	PAULS CREDITORS	1005/11/2NSW	MAGISTRATESCOURT	PAID
29 Jul 2013	DEFAULT	\$10,421				PAID

Adverse Check on Directors

Directors/Proprietors Adverse & Related Business Interests

Company and Directors	Directorships (Current)	Directorships (Previous)	Adverse	Enquiries	Related File is DRDG, SOFF or EXAD
KVAERNER E & C AUSTRALIA P/L	2	1	Yes	50	N/A
1 SDDDFSSDF SDSDF PQRST	1	0	No	50	No
2 BLOGGS JAMES ERNEST	1	1	Yes	50	Yes

SDDDFSSDF SDSDF PQRST

This section provides a summary of the relationships to SDDDFSSDF SDSDF PQRST as currently held by Equifax.

Organisation and Cross Reference	Registry Refresh	Enquiries	Adverse Information	Status
Director of KVAERNER E & C AUSTRALIA	11/12/2012	50	Yes	REGISTERED

BLOGGS JAMES ERNEST

This section provides a summary of the relationships to BLOGGS JAMES ERNEST as currently held by Equifax.

Organisation and Cross Reference	Registry Refresh	Enquiries	Adverse Information	Status
Director of KVAERNER E & C AUSTRALIA	11/12/2012	50	Yes	REGISTERED
Previous Director of WHITE CITY	20/05/2013	50	Yes	REGISTERED
Proprietor of YES G APPLICATIONS	Unknown	50	No	Unknown

Property Summary

Property Summary

COMPANY	KVAERNER E & C AUSTRALIA Unknown *No land holdings
INDIVIDU	PAMELA TREGENZA (Vol 8688 Fol 457) - Mildura (Vol 109967 Fol 431) - Wittlesea
INDIVIDU	JAMES ERNEST BLOGGS No land holdings

Key Ratios Notes

The following is a guide to the ratios that may be included in this report. Note: Financial ratios are indicators of an entity's performance and financial position and will provide useful information, especially when comparing entities in the same industry. It must however be pointed out that ratios can be influenced by, but not limited to, point-in-time adjustments, decisions taken by management, use of different accounting policies and whether the entity is part of a larger group.

Balance Sheet Ratios	Calculation	Definition
Working Capital	Current Assets - Current Liabilities	Measure of an entity's ability to meet short term liabilities. The higher the figure the better however, must understand the types of current assets the entity has and how quickly they can be converted into cash to meet current liabilities. A negative figure can indicate cash flow/liquidity issues.
Net Tangible Worth	Shareholders Equity - Intangibles	Measure of an entity's physical worth minus any value derived from intangible assets such as goodwill, patents, intellectual property, etc. The higher the figure the better.
Working Capital to Sales	$(\text{Working Capital} / \text{Sales Revenue}) \times 100$	Measures how effectively an entity is using its working capital to generate sales. If the figure is too high, it can indicate the entity is not efficiently using its balance sheet while a low figure may indicate overtrading.
Reinvestment	$(\text{Retained Profits} / \text{Total Assets}) \times 100$	Measures the accumulated level of profit reinvested into an entity over time to fund its future growth. The higher the figure the better. A negative figure can indicate the need for external funding to support operations.
Profitability Ratios	Calculation	Definition
Gross Profit Margin	$(\text{Gross Profit} / \text{Sales Revenue}) \times 100$	Measure used to assess an entity's ability to turn a dollar of revenue into profit after cost of goods sold has been accounted for. The higher the figure the better. A negative figure can indicate poor costing procedures.
Net Profit Margin	$(\text{Profit before Tax} / \text{Sales Revenue}) \times 100$	Measure of how much out of every dollar of revenue an entity retains in earnings. A higher figure indicates a more profitable entity that has better control over its costs compared to its competitors.
Return on Assets	$(\text{Profit before Interest \& Tax} / \text{Total Assets}) \times 100$	Measure of how profitable an entity is relative to its total assets. Provides a useful guide as to how efficient the entity is at using its assets to generate a profit.
Return on Equity	$(\text{Profit after Tax} / \text{Shareholders Equity}) \times 100$	Measure used to assess an entity's efficiency in generating additional profit from every unit of shareholders equity. The higher the figure the better.
Liquidity Ratios	Calculation	Definition
Current Ratio	Current Assets / Current Liabilities	Measures whether an entity has sufficient resources to pay its debts over the next 12 months. If the ratio is too high, it may indicate the entity may not be efficiently using its current assets. A low value (ie less than 1) may indicate the entity could have difficulty meeting its short term obligations. A low value however may not indicate a critical problem if the entity has good long-term prospects or assets as it may be able to raise funds to meet current obligations.
Quick Ratio	$(\text{Current Assets} - \text{Inventories}) / \text{Current Liabilities}$	Measure of an entity's ability to use its near cash or quick assets to meet short term liabilities. This ratio is more conservative than the current ratio as it excludes inventories, which are considered the least liquid current asset. The quick ratio therefore measures a worst case scenario ability to meet obligations.
Debtors Turnover	$(\text{Trade Debtors} / \text{Sales Revenue}) \times 365$	Measures the number of days on average that it takes an entity to receive payment for what it sells. The lower the number the better. An especially high number can be a sign of inefficiency/collection problems and place pressure on cash flow.
Creditors Turnover	$(\text{Trade Creditors} / \text{Cost of Goods Sold}) \times 365$	Measures the number of days on average that it takes an entity to pay its creditors. A low figure signifies that creditors are being paid promptly, which enhances the credit worthiness of the entity. An entity that is slow to pay its bills (over 90 days) may indicate cash flow problems or is trying to finance its operations with its suppliers funds.

Debt Ratios	Calculation	Definition
Gearing	$(\text{Total Liabilities} / \text{Total Assets}) \times 100$	Measures the proportion of total debt outstanding relative to an entity's total assets. Used to indicate an entity's longer term stability, in particular its ability to meet debts from its asset base. The lower the percentage, the better is the ability to cover debt from assets. A high gearing is generally considered speculative.
Debt to Equity	$(\text{Total Liabilities} / \text{Shareholders Equity}) \times 100$	Measures the proportion of capital invested by the entity's owners to the funds provided by external lenders/creditors. A high ratio generally means that the entity has been aggressive in financing its growth with debt.
Leverage	$\text{Total Liabilities} / (\text{Profit before Interest, Tax \& Depreciation})$	Measures an entity's proportion of operating profit that is used to pay its liabilities. Entities that are highly leveraged may be at risk of failure and may also be unable to find new lenders.
Interest Coverage	$(\text{Profit before Tax} + \text{Interest Expense}) / \text{Interest Expense}$	Measures an entity's level of profits that are available to meet its interest expense. Very important from a lender's point of view as it indicates the number of times interest is covered by profit. A high ratio provides greater assurance of regular interest payments. A low ratio could create problems to the entity in raising funds.