



# Special Purpose Financial Report

**Thoan Pty Ltd**

ABN 17 009 983 993

30 June 2014

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# Directors' Report

Your Director presents the report on the Company for the financial year ended 30 June 2014.

The names of the Director in office during or since the end of the year is:

- Prakash Charan (Appointed 3 June 2014)

The Director has been in office since the start of the financial year to the date of this report unless otherwise noted.

## **Review of operations and financial results**

The profit of the Company for the financial year after providing for income tax amounted to \$29,934.

## **Significant changes in state of affairs**

No significant changes in the Company's state of affairs occurred during the financial year.

## **Principal activities**

The principal activities of the Company during the financial year were the provision of employment, education and training services.

During the year the Company acquired Australian Management Academy. Prior to the acquisition of the business the company operated as a trustee for an Australian Trust.

## **Events arising since the end of the reporting period**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## **Future development, prospects and business strategies**

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

## **Environmental issues**

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

## **Indemnifying Officers or Auditors**

No indemnities have been given, during or since the end of the financial period, for any person who is or has been an officer or auditor of Thoan Pty Ltd.

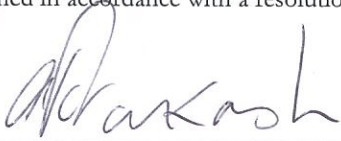
The company has paid a premium to insure the above Director against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Directors of the company, other than conduct involving a wilful breach of duty in relation to the company.

# Directors' Report

## **Proceedings on behalf of Company**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board:



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Prakash Charan  
Director

Dated this 11th day of September 2014

# Statement of Profit or Loss and Other Comprehensive Income

**30 June 2014**

	Notes	2014 \$	2013 \$
Revenue	2	531,089	-
Other income	2	1,577	-
Employee benefits expense		(17,486)	-
Trainer fees		(459,067)	-
Occupancy expense		(5,711)	-
Other expenses		(7,639)	-
Profit from continuing operations before income tax		42,763	-
Income tax (expense)	3	(12,829)	-
Profit from continuing operations after income tax		29,934	-
Total comprehensive income for the year		29,934	-

The accompanying notes form part of these financial statements.

# Statement of Financial Position

**30 June 2014**

	Notes	2014 \$	2013 \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	4	1,287,493	2
Trade and other receivables	5	1,100	-
Other	6	298,520	-
<b>Total Current Assets</b>		<b>1,587,113</b>	<b>2</b>
<b>Non-Current</b>			
Deferred tax asset	8	106,260	-
<b>Total Non-Current Assets</b>		<b>106,260</b>	<b>-</b>
<b>Total Assets</b>		<b>1,693,373</b>	<b>2</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables	7	1,544,348	-
Current tax payable	8	119,089	-
<b>Total Current Liabilities</b>		<b>1,663,437</b>	<b>-</b>
<b>Total Liabilities</b>		<b>1,663,437</b>	<b>-</b>
<b>Net Assets</b>		<b>29,936</b>	<b>2</b>
<b>Equity</b>			
Issued capital		2	2
Retained earnings		29,934	-
<b>Total Equity</b>		<b>29,936</b>	<b>2</b>

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

30 June 2014

	Share Capital \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2012</b>	2	-	2
Total comprehensive income for the year	-	-	-
Transactions with owners in their capacity as owners:	-	-	-
Contributions of equity on incorporation	-	-	-
<b>Balance at 30 June 2013</b>	2	-	2
<b>Balance at 1 July 2013</b>	2	-	2
Total comprehensive income for the year	-	29,934	29,934
Transactions with owners in their capacity as owners:		-	-
Contributions of equity		-	-
<b>Balance at 30 June 2014</b>	2	29,934	29,936

The accompanying notes form part of these financial statements.



# Statement of Cash Flows

30 June 2014

	Notes	2014 \$
<b>Cash Flow from Operating Activities</b>		
Receipts from customers		1,280,511
Payment to suppliers		(131,113)
<b>Net cash provided by (used in) operating activities</b>	10 (b)	<b>1,149,398</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds/(repayment) of related party payables		138,093
<b>Net cash provided by (used in) financing activities</b>		<b>138,093</b>
Net increase in cash held		1,287,491
Cash at beginning of year		2
<b>Cash at end of year</b>	10 (a)	<b>1,287,493</b>

The accompanying notes form part of these financial statements.





# Notes to the Financial Statements

**30 June 2014**

## **1. Statement of significant accounting policies**

The financial report is a special purpose financial report prepared to satisfy the financial report preparation requirements of the directors and members of the Company. The Directors have determined that the Company is not a reporting entity because there are no users dependent on a general purpose financial report.

Thoan Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

The financial report has been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations.

### **Basis of preparation**

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

Cost is based on the fair value of the consideration given in exchange for the assets.

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

### **Adoption of new and revised accounting standards**

Thoan Pty Ltd has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not mandatory have not been early adopted.

### **Accounting policies**

#### **Income tax**

The income tax expense for the year comprises current income tax expense and deferred tax expense. Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

#### **Current tax**

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

# Notes to the Financial Statements

**30 June 2014**

## **1. Statement of significant accounting policies (continued)**

### **Deferred tax**

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### **Functional and presentation currency**

The functional currency of the Company is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

### **Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

# Notes to the Financial Statements

**30 June 2014**

## **1. Statement of significant accounting policies (continued)**

### **Revenue**

Service revenue is revenue relating to the provision of services which is determined with reference to the stage of completion of the training at reporting date and where the outcome of the work can be reliably estimated. Stage of completion is determined with reference to the training performed to date.

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

Other revenue is recognised when the right to receive the income has been established. All revenue is stated net of the amount of goods and services tax (GST).

### **Financial assets**

#### **Recognition and initial measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

#### **Recognition and initial measurement**

Financial assets are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial assets are classified and measured as set out below.

#### **Classification and subsequent measurement**

##### ***Financial assets at fair value through profit or loss***

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair values are included in income statement in the period in which they arise.

#### **Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm length transactions, reference to similar instruments and option pricing models.



# Notes to the Financial Statements

30 June 2014

## 1. Statement of significant accounting policies (continued)

### Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

### Financial liabilities at fair value through profit or loss

The Company enters into a variety of derivative financial instruments to manage its exposure to commodity price risk and foreign exchange rate risk via futures and forwards. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and subsequently remeasured to their fair value at each reporting date. The resultant gain or loss is recognised in the income statement. The net gain or loss recognised in the income statement incorporates any interest paid on the financial liability.

### Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield method.

### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### Comparatives

The company did not trade in the prior year. During the current year the company acquired the business of Australian Management Academy. Prior to the acquisition the company was a trustee company and did not trade.

### Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

### Key estimates - impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the assets is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

# Notes to the Financial Statements

30 June 2014

## 2. Revenue

	2014
	\$
Sales revenue:	
- Service revenue	531,089
<b>Total Revenue</b>	<b>531,089</b>
Other income:	
- bank Interest received	1,577
<b>Other Income</b>	<b>1,577</b>

## 3. Income tax expense

	2014
	\$
The components of tax expense comprise:	
- Current tax	30,720
- Deferred tax	(17,891)
	<b>12,829</b>

The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense is as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 30% (2013 : 30%)	12,829
Income tax expense/(benefit) attributable to profit from ordinary activities	<b>12,829</b>

## 4. Cash and cash equivalents

	2014
	\$
Cash on hand	2
Cash at bank	974,438
Deposit (a)	313,053
	<b>1,287,493</b>

(a) The deposit is held with an external party and will be re-paid subsequent to certain conditions associated with the purchase of business which occurred during the year.

# Notes to the Financial Statements

30 June 2014

## 5. Trade and other receivables

	2014
	\$
<b>Current</b>	
Trade receivables	1,100
Less provision for doubtful debts	-
	<u>1,100</u>

## 6. Other

	2014
	\$
<b>Current</b>	
Prepayments	3,954
Work in progress	294,566
	<u>298,520</u>

## 7. Trade and other payables

	2014
	\$
<b>Current</b>	
Trade payables	742,538
Payable to related parties	294,620
Other payables and accruals	507,190
	<u>1,544,348</u>

## 8. Tax

	2014
	\$
<b>LIABILITIES</b>	
<b>Current</b>	
Current tax liability	119,089
<b>Non Current</b>	
Deferred tax asset	106,260
<b>Total</b>	<u>106,260</u>

## 9. Contingent liabilities

There are no outstanding contingent liabilities.



## Directors' Declaration

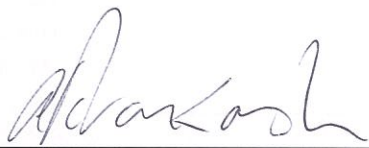
The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statement:

1. The financial statements and notes:

- (a) Comply with Accounting Standards as described in Note 1 to the financial statements; and
- (b) Give a true and fair view of the Company's financial position and changes in equity as at 30 June 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the Directors' opinion, 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 Board of Directors.



Prakash Charan  
Director

Dated this 11 day of September 2014

# Notes to the Financial Statements

**30 June 2014**

## **10. Cash flow information**

	2014
<b>a) Reconciliation of cash</b>	<b>\$</b>
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:	
Cash and cash equivalents	974,440
Deposit	313,053
	<u>1,287,493</u>
	2014
<b>b) Reconciliation of Cash Flow from Operations with profit from ordinary activities after income tax</b>	<b>\$</b>
Profit from ordinary activities after income tax	29,934
Non-cash flows in profit from ordinary activities:	
- Depreciation and amortisation	-
Changes in assets and liabilities:	
- (Increase)/decrease in trade & other receivables	(1,100)
- (Increase)/decrease in other assets	(298,520)
- (Increase)/decrease in deferred tax	(106,260)
- Increase/(decrease) in income tax payables	119,092
- Increase/(decrease) in trade & other payables	1,406,252
Cash flows from operations	<u>1,149,398</u>

## **11. Subsequent events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## **12. Company details**

The registered office of the Company is:

*Thoan Pty Ltd*  
*9 Raleigh Street*  
*Spotswood Victoria 3015*

The principal place of business of the Company is:

*Thoan Pty Ltd*  
*9 Raleigh Street*  
*Spotswood Victoria 3015*

The Rialto, Level 30  
525 Collins St  
Melbourne Victoria 3000

Correspondence to:  
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## **Independent Auditor's Report**

### **To the Members of Thoan Pty Ltd**

We have audited the accompanying financial report, being a special purpose financial report, of Thoan Pty Ltd (the "Company"), which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Directors.

### **Responsibility of the Directors for the financial report**

The Directors of the Company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial report, which form part of the financial report, are appropriate to meet the needs of the Members. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Independence**

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

### **Auditor's Opinion**

In our opinion,

- a the financial report of Thoan Pty Ltd
  - i presents fairly, in all material respects, the Company's financial position as at 30 June 2014 and of its performance and cash flows for the year then ended in accordance with the accounting policies described in Note 1

### **Basis of accounting**

Without modifying our opinion, we draw attention to 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of reporting to the members. As a result, the financial report may not be suitable for another purpose.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Adam Pitts  
Partner - Audit & Assurance

Melbourne, 11 September 2014