

# **HomeStay Care Pty Ltd**

**ABN 37 612 594 475**

## **Financial Report**

**for the period 24 May 2016, date of incorporation, to 31 December 2016**

# **HomeStay Care Pty Ltd**

## **Financial Report for the period 24 May 2016 to 31 December 2016**

### **Contents**

Statement of profit or loss and other comprehensive income  
Statement of financial position  
Statement of changes in equity  
Statement of cash flows  
Notes to the financial statements  
Directors' declaration  
Independent auditor's report to the members of HomeStay Care Pty Ltd

### **General information**

The financial statements cover HomeStay Care Pty Ltd as a single entity. The financial statements are presented in Australian Dollars, which is HomeStay Care Pty Ltd's functional and presentation currency.

HomeStay Care Pty Ltd is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

#### **Registered office**

Level 9  
25 Bligh Street  
SYDNEY NSW 2000

#### **Principal place of business**

Level 9  
25 Bligh Street  
SYDNEY NSW 2000

The financial statements were authorised for issue, in accordance with a resolution of directors, on 8 February 2017. The Directors have the power to amend and reissue the financial statements.

**HomeStay Care Pty Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the period 24 May 2016 to 31 December 2016**

	Note	\$
<b>Revenue</b>		-
<b>Expenses</b>		
Legal expenses		(3,856)
Due diligence and acquisition expenses		(19,969)
Platform development expenses		(7,917)
Other expenses		(14,572)
Total expenses		<u>(46,314)</u>
<b>Loss before income tax expense</b>		(46,314)
Income tax expense		<u>-</u>
<b>Loss after income tax expense for the period</b>		(46,314)
<b>Total comprehensive loss for the period</b>		<u><u>(46,314)</u></u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**HomeStay Care Pty Ltd**  
**Statement of financial position**  
**As at 31 December 2016**

	<b>Note</b>	<b>\$</b>
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	3	<u>439,687</u>
Total current assets		<u>439,687</u>
<b>Total assets</b>		<u>439,687</u>
<b>Net assets</b>		<u><u>439,687</u></u>
<b>Equity</b>		
Issued capital	4	486,001
Accumulated losses		<u>(46,314)</u>
<b>Total equity</b>		<u><u>439,687</u></u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**HomeStay Care Pty Ltd**  
**Statement of changes in equity**  
**For the period 24 May 2016 to 31 December 2016**

	<b>Issued capital \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 24 May 2016 (date of incorporation)	-	-	-
Loss after income tax expense for the period	<u>-</u>	<u>(46,314)</u>	<u>(46,314)</u>
Total comprehensive loss for the period	-	(46,314)	(46,314)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	<u>486,001</u>	<u>-</u>	<u>486,001</u>
Balance at 31 December 2016	<u><u>486,001</u></u>	<u><u>(46,314)</u></u>	<u><u>439,687</u></u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**HomeStay Care Pty Ltd**  
**Statement of cash flows**  
**For the period 24 May 2016 to 31 December 2016**

	<b>Note</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees		<u>(46,314)</u>
Net cash used in operating activities		<u>(46,314)</u>
 <b>Cash flows from financing activities</b>		
Proceeds from issue of shares		<u>486,001</u>
Net cash from financing activities		<u>486,001</u>
 Net increase in cash and cash equivalents		439,687
Cash and cash equivalents at the beginning of the financial period		<u>-</u>
Cash and cash equivalents at the end of the financial period	3	<u><u>439,687</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**HomeStay Care Pty Ltd**  
**Notes to the financial statements**  
**For the period 24 May 2016 to 31 December 2016**

**Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**Basis of preparation**

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of distributing financial statements to the owners of HomeStay Care Pty Ltd. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the owners of HomeStay Care Pty Ltd.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, unless otherwise specified in these accounting policies.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**Note 1. Significant accounting policies (continued)**

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Issued capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Comparatives**

There is no comparative information as the company was only incorporated on 24 May 2016.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the financial period ended 31 December 2016. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.



**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. There are no judgements, estimates and assumptions in these financial statements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Note 3. Cash and cash equivalents**

	\$
Cash on hand	1
Cash at bank	439,686
	<u>439,687</u>

**Note 4. Issued capital**

	Shares	\$
Ordinary shares - fully paid	<u>162,000,000</u>	<u>486,001</u>

*Movements in ordinary share capital*

Details	Date	No of shares	\$
Balance at incorporation	24 May 2016	<u>1</u>	<u>1</u>
Balance	31 December 2016	<u>162,000,000</u>	<u>486,001</u>

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**Note 5. Reconciliation of loss after income tax to net cash used in operating activities**

	\$
Loss after income tax expense for the period	(46,314)
Net cash used in operating activities	<u>(46,314)</u>

**Note 6. Contingent liabilities and assets**

The Company has no contingent liabilities or assets as at 31 December 2016.

**Note 7. Commitments**

The Company has no commitments as at 31 December 2016.

**Note 8. Events subsequent to reporting date**

In February 2017, the company raised \$9,000 in equity by way of an issue of 3,000,000 shares at an issue price of \$0.003.

Other than the above, there are no matters or circumstances that have arisen since 31 December 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**HomeStay Care Pty Ltd**  
**Directors' Declaration**  
**For the period 24 May 2016 to 31 December 2016**

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, the attached special purpose financial statements have been prepared in accordance with the accounting policies as described in Note 1;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the period 24 May 2016 to 31 December 2016 in accordance with the accounting policies as described in Note 1;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of directors.

On behalf of the directors



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Shannon Robinson  
Director

8 February 2017  
Perth

RSM Australia Partners

8 St Georges Terrace Perth WA 6000

GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

F +61 (0) 8 9261 9111

[www.rsm.com.au](http://www.rsm.com.au)

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
HOMESTAY CARE PTY LTD**

We have audited the accompanying financial report, being a special purpose financial report, of HomeStay Care Pty Ltd, which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial period 24 May 2016 to 31 December 2016, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report in accordance with the basis of preparation described in Note 1. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is 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. Those standards require that we 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity'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.

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### *Independence*

In conducting our audit, we have complied with the independence requirements of any applicable code of professional conduct in relation to the audit.

### *Opinion*

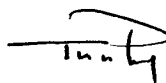
In our opinion, the financial report presents fairly, in all material respects, the company's financial position as at 31 December 2016 and of its performance for the financial period 24 May 2016 to 31 December 2016 in accordance with the basis of preparation described in Note 1.

### *Basis of Accounting*

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



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 8 February 2017

# Annual Report

HomeStay Care Pty Ltd  
for the year ended 31 December 2017

ABN 37 612 594 475

# Contents

3	Director's Report
5	Auditor's Independence Declaration
6	Consolidated Statement of Profit or Loss and Other Comprehensive Income
7	Consolidated Statement of Financial Position
8	Consolidated Statement of Changes in Equity
9	Consolidated Statement of Cash Flows
10	Notes to the Financial Statements
14	Director's Declaration
15	Independent Auditor's Report

## General information

The financial statements cover HomeStay Care Pty Ltd as the consolidated entity consisting of HomeStay Care Pty Ltd and the entities it controls at the end of, or during, the year. The financial statements are presented in Australian dollars, which is HomeStay Care Pty Ltd's functional and presentation currency.

HomeStay Care Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

### Registered office

Level 9  
25 Bligh Street  
SYDNEY NSW 2000

### Principal place of business

Level 9  
25 Bligh Street  
SYDNEY NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the director's report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of the director, on 22 March 2018. The director has the power to amend and reissue the financial statements.

# Director's Report

## HomeStay Care Pty Ltd

### For the year ended 31 December 2017

The director presents the report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of HomeStay Care Pty Ltd (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the year ended 31 December 2017.

#### Directors

The name of the director in office at any time during or since the end of the year are:

- Shannon Robinson

The Director has been in office since the start of the financial year or from the start of incorporation to the date of this report unless otherwise stated.

#### Operating Result

The loss of the Group for the financial year amounted to \$417,493 (2016: \$46,314).

#### Review of Operations

A review of the Group's operations during the financial year, and the results of those operations, is as follows:

The Group's operations during the year performed as expected in the opinion of the director.

#### Significant Changes in the State of Affairs

During the year ended 31 December 2017, the Company formed two wholly owned subsidiaries, Home Service Solutions Pty Ltd (a company incorporated in Australia) and HomeStay Care Solutions Pte Ltd (a company incorporated in Singapore).

#### Likely developments and expected results of operations

The Company intends to seek admission to Australian Securities Exchange in 2018.

#### Principal Activities

The principal activities of the Group during the financial year were:

Development of aged care technology platform

No significant change in the nature of these activities occurred during the year.

#### Events subsequent to reporting date

On 1 February 2018, the Company formed a newly incorporated wholly owned subsidiary, HomeStay Care (Singapore) Pte. Ltd.

In February 2018, the Company raised \$5,000 for the shortfall to the seed raise and issued 500,000 shares at an issue price of \$0.01 each.

Other than the above, there are no matters or circumstances that have arisen since 31 December 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

#### Environmental Issues

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



# Director's Report

HomeStay Care Pty Ltd

For the year ended 31 December 2017

## **Dividends**

Dividends paid or declared by the Company since the start of the financial year are as follows:

- a) there were no dividends paid during the year.
- b) there were no dividends or distributions recommended or declared for payment to members during the year that have not been paid or credited to the member throughout the year.

## **Share Options**

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

## **Indemnifying Officer or Auditor**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

## **Proceedings of 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 for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

## **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director's report.

This report is made in accordance with a resolution of the director, pursuant to section 298(2)(a) of the Corporations Act 2001.

Signed in accordance with a resolution of the Director:



Shannon Robinson  
Director

Dated this 22nd day of March 2018.

**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844  
T +618 9261 9100  
F +618 9261 9111  
[www.rsm.com.au](http://www.rsm.com.au)

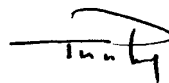
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of HomeStay Care Pty Ltd for the year ended 31 December 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 22 March 2018

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2017

	NOTES	CONSOLIDATED 31 DECEMBER 2017 \$	COMPANY 31 DECEMBER 2016 \$
<b>Income</b>			
Sale of goods and services		30,354	-
Interest income		2,848	-
Total Income		33,202	-
Total Income		33,202	-
<b>Expenses</b>			
Amortisation expense		18,925	-
Consulting fees		189,173	31,742
Cost of sales		20,075	-
Employee benefits expenses		69,676	-
Marketing expenses		34,414	-
Rental expenses		30,034	-
Other expenses		88,398	14,572
Total Expenses		450,695	46,314
(Loss) before Tax		(417,493)	(46,314)
Income tax expense		-	-
Net (loss) after Tax attributable to the owners of the Company		(417,493)	(46,314)
Other comprehensive income for the year (net of tax)		-	-
Total comprehensive (loss) attributable to the owners of the Company		(417,493)	(46,314)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

# Consolidated Statement of Financial Position

HomeStay Care Pty Ltd  
As at 31 December 2017

	NOTES	CONSOLIDATED 31 DECEMBER 2017 \$	COMPANY 31 DECEMBER 2016 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		569,353	439,687
Trade and other receivables		24,455	-
Total Current Assets		593,808	439,687
<b>Non-Current Assets</b>			
Intangible assets	3	435,060	-
Total Non-Current Assets		435,060	-
Total Assets		1,028,868	439,687
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		77,342	-
Provisions		2,832	-
Total Current Liabilities		80,174	-
Total Liabilities		80,174	-
Net Assets		948,694	439,687
<b>Equity</b>			
Issued capital	4	1,412,501	486,001
Accumulated losses		(463,807)	(46,314)
Total Equity		948,694	439,687

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

# Consolidated Statement of Changes in Equity

HomeStay Care Pty Ltd

For the year ended 31 December 2017

	ISSUED CAPITAL \$	ACCUMULATED LOSSES \$	TOTAL EQUITY \$
<b>Company</b>			
Balance at 24 May 2016 (date of incorporation)	1	-	1
Loss after income tax expense for the year	-	(46,314)	(46,314)
Total comprehensive loss for the year	-	(46,314)	(46,314)
<i>Transactions with owners in their capacity as owners</i>			
Contributions of equity (net of transaction costs)	486,000	-	486,001
Balance at 31 December 2016	486,001	(46,314)	439,687
<b>Consolidated</b>			
Balance at 1 January 2017	486,001	(46,314)	439,687
Loss after income tax expense for the year	-	(417,493)	(417,493)
Total comprehensive loss for the year	-	(417,493)	(417,493)
<i>Transactions with owners in their capacity as owners</i>			
Contributions of equity (net of transaction costs)	926,500	-	926,500
Balance at 31 December 2017	1,412,501	(463,807)	948,694

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

# Consolidated Statement of Cash Flows

HomeStay Care Pty Ltd

For the year ended 31 December 2017

	CONSOLIDATED 31 DECEMBER 2017 \$	COMPANY 31 DECEMBER 2016 \$
<b>Cash flows from Operating Activities</b>		
Receipts from customers	23,992	-
Payments to suppliers and employees	(412,586)	(46,314)
Interest received	2,848	-
Total cash flows used in Operating Activities	(385,746)	-
<b>Cash flows from Investing Activities</b>		
Purchase of customer list	(45,000)	-
Payments for platform development expenditure	(366,088)	-
Total cash flows used in Investing Activities	(411,088)	-
<b>Cash flows from Financing Activities</b>		
Proceeds from capital raising	926,500	486,001
Total cash flows from Financing Activities	926,500	486,001
Net increase in cash and cash equivalents	129,666	439,687
<b>Cash Balances</b>		
Cash and cash equivalents at the beginning of the financial year	439,687	-
Cash and cash equivalents at the end of the financial year	569,353	439,687

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

# HomeStay Care Pty Ltd

## For the year ended 31 December 2017

### 1. Statement of Significant Accounting Policies

#### Basis of preparation

The director has determined that the Group is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The director has determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared on an accrual basis and under the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the prior year.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

These are special purpose financial statements that have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the owners of HomeStay Care Pty Ltd. The director has determined that the accounting policies adopted are appropriate to meet the needs of the owners of HomeStay Care Pty Ltd.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for for-profit oriented entities.

#### New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The accounting policies that have been adopted in the preparation of these financial statements are as follows:

#### Income Tax

The income tax expense for the year comprises current income tax expense. The Group does not apply deferred 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 31 December 2017. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### Trade and Other Receivables

Trade receivables and other receivables are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

## 1. Statement of Significant Accounting Policies (Cont.)

### HomeStay Care Pty Ltd

For the year ended 31 December 2017

#### Intangibles

Intangible assets acquired separately are initially recognised at cost. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

#### *Research and development*

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs, when available for use in the manner intended by management, are amortised on a straight-line basis over the period of their expected benefit.

#### Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at 31 December 2017. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

#### Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to 31 December 2017. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related costs.

#### Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### Revenue Recognition

Revenue is recognized when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Revenue from interest is recognised using the effective interest rate method.

Other revenue is recognized when it is received or when the right to receive payment is established.

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

#### Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.



**1. Statement of Significant Accounting Policies (Cont.)****HomeStay Care Pty Ltd****For the year ended 31 December 2017****Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2017. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Estimation of useful lives of assets*

The Group determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

**3. Intangible assets**

	<b>Consolidated</b>	<b>Company</b>
	<b>31 December 2017</b>	<b>31 December 2016</b>
	<b>\$</b>	<b>\$</b>
Platform development expenditure - at cost	408,985	-
Less: Accumulated amortisation	-	-
<b>Net carrying amount</b>	<b>408,985</b>	<b>-</b>
Customer list - at cost	45,000	-
Less: Accumulated amortisation	(18,925)	-
<b>Net carrying amount</b>	<b>26,075</b>	<b>-</b>
<b>Total</b>	<b>435,060</b>	<b>-</b>

No amortisation has been charged to the Platform Development Expenditure as the asset is not yet available for use in the manner intended by management.

# HomeStay Care Pty Ltd

## For the year ended 31 December 2017

### 4. Issued Capital

	2017 Shares	2016 Shares	2017 \$	2016 \$
Ordinary shares – fully paid	229,500,000	162,000,001	1,412,501	486,001

### Details

	No of shares	\$
Balance at incorporation (24 May 2016)	1	1
Issue of shares	162,000,000	486,000
Balance at 31 December 2016	162,000,001	486,001
Issue of shares	137,499,999	926,500
Balance at 31 December 2017	299,500,000	1,412,501

### Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

### 5. Contingent liabilities and assets

The Group has no contingent liabilities or assets as at 31 December 2017 (31 December 2016: nil).

### 6. Commitments

The Group has no commitments as at 31 December 2017 (31 December 2016: nil).

### 7. Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the subsidiaries listed in the following table:

Name	Country of incorporation	Equity interest	
		31 December 2017 %	31 December 2016 %
Home Service Solutions Pty Ltd	Australia	100	-
HomeStay Care Solutions Pte Ltd	Singapore	100	-

### 8. Events subsequent to reporting date

On 1 February 2018, the Company formed a newly incorporated wholly owned subsidiary, Homestay Care (Singapore) Pte. Ltd.

In February 2018, the Company raised \$5,000 for the shortfall to the seed raise and issued 500,000 shares at an issue price of \$0.01 each.

Other than the above, there are no matters or circumstances that have arisen since 31 December 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

# Director's Declaration

HomeStay Care Pty Ltd

For the year ended 31 December 2017

The Director of the Company declares that:

1. The financial statements and notes are in accordance with the Corporations Act 2001:
  - a Comply with Accounting Standards to the extent described in Note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b Give a true and fair view of the financial position as at 31 December 2017 and of the performance for the year ended on that date of the Group in accordance with the accounting policies described in Note 1 to the financial statements; 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 Director.



Shannon Robinson

Director

Dated this 22nd day of March 2018.

**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844  
T +618 9261 9100  
F +618 9261 9111  
[www.rsm.com.au](http://www.rsm.com.au)

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
HOMESTAY CARE PTY LTD**

**Opinion**

We have audited the financial report of HomeStay Care Pty Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Basis of Accounting**

We draw attention to Note 1, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

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## **Other Information**

The directors are responsible for the other information. The other information comprises the directors' report for the year ended 31 December 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

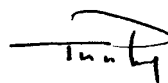
## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 22 March 2018