

# **OAKAJEE CORPORATION LIMITED**

**ACN 123 084 453**

## **Half-Year Report and Appendix 4D**

For the half-year ended 31 December 2015

# OAKAJEE CORPORATION LIMITED

ACN 123 084 453

## Results for Announcement to the Market for the half-year end 31 December 2015

*Current Reporting Period:* Half-year end 31 December 2015  
*Previous Reporting Period:* Half-year end 31 December 2014

### 1. Revenue and Net Profit

		<b>Percentage change (%)</b>		<b>Amount \$</b>
Revenue	Down	(14%)	to	6,549
Net loss	Down	(12%)	to	(375,992)

### 2. Brief Explanation of Revenue and Net Profit

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2015 was \$375,992 (31 December 2014: \$427,657).

The Board continues to review corporate opportunities and potential projects both industrial and resource in nature in Australia and overseas, to complement the Company's investment portfolio. In the meantime the Board continues to implement a program of prudent cost control and hold its investment in listed securities and cash reserves to ensure the company's strong liquidity position.

At the end of the half-year period ending 31 December 2015 the Company had net assets of \$2,427,346.

### 3. Dividends Paid and Declared

No dividends were paid during the half-year and the directors recommend that no dividends be paid or declared for the half-year ended 31 December 2015.

There were no dividends declared or paid for the previous corresponding half-year period.

**4. Net Tangible Asset per Security**

NTA Backing	31 December 2015	31 December 2014
Net Tangible Assets	2,427,346	2,949,093
Securities on issue	51,000,000	51,000,000
Net Tangible Asset Backing per Security (cents/security)	4.76	5.78

**5. Details of Entities Over Which Control Has Been Gained or Lost**

None

**6. Details of Associates and Joint Venture Entities**

None

**7. Information on Audit or Review**

The Half-year accounts of Oakajee Corporation have been subject to review.

**Description of dispute or qualification if the accounts have been audited or subjected to review.**

None



**OAKAJEE**  
CORPORATION

ACN 123 084 453

# Interim Financial Report

For the half-year ended 31 December 2015

**OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

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**OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

**CORPORATE DIRECTORY**

**DIRECTORS:**

Mr Mark Jones  
Mr Garry Thomas  
Mr Doug Rose

**COMPANY SECRETARY:**

Ms Krystal Kirou

**REGISTERED AND PRINCIPAL OFFICE:**

39 Clifton Street  
NEDLANDS WA 6009

Telephone: +61 8 9389 6032  
Facsimile: +61 8 9389 8226

**POSTAL ADDRESS:**

39 Clifton Street  
NEDLANDS WA 6009

**WEBSITE:**

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

**SHARE REGISTRY:**

Advanced Share Registry Services  
110 Stirling Highway  
NEDLANDS WA 6009

**SECURITIES EXCHANGE:**

Australian Securities Exchange (ASX: OKJ)  
Level 40, Central Park  
152-158 St George's Terrace  
Perth WA 6000

**AUDITOR:**

HLB Mann Judd  
Level 4, 130 Stirling Street  
PERTH WA 6000

# OAKAJEE CORPORATION LIMITED

ACN 123 084 453

## DIRECTORS' REPORT

Your Directors submit the financial report of the Group for the half-year ended 31 December 2015. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

### Directors

The names of directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

Mark Jones	Managing Director
Doug Rose	Non-executive Director ( <i>appointed 21 July 2015</i> )
Garry Thomas	Non-executive Director
Graham Anderson	Non-executive Chairman ( <i>deceased 20 July 2015</i> )

### Review of Operations

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2015 was \$375,992 (31 December 2014: \$427,657).


The Board continues to review corporate opportunities and potential projects both industrial and resource in nature in Australia and overseas, to complement the Company's investment portfolio. In the meantime the Board continues to implement a program of prudent cost control and hold its investments in listed securities and cash reserves to ensure the company's strong liquidity position.

At the end of the half-year period ended 31 December 2015 the Company had net assets of \$2,427,346.

### Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on the following page and forms part of this directors' report for the half-year ended 31 December 2015.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s306(3) of the Corporations Act 2001.



**Mark Jones**  
**Managing Director**

**25 February 2016**

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oakajee Corporation Limited for the year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



**Perth, Western Australia  
25 February 2016**

**N G Neill  
Partner**



OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Note	Six months to 31 December 2015 \$	Six months to 31 December 2014 \$
<b>Revenue</b>	2	6,549	7,481
<b>Expenses</b>			
Administration expenses		58,158	57,417
Employee benefits expense	2	90,535	93,562
Depreciation and amortisation expense	2	678	762
Impairment expense	2	225,944	265,000
Travel expenses		7,226	18,397
<b>Loss before income tax</b>		<b>(375,992)</b>	<b>(427,657)</b>
Income tax benefit		-	-
<b>Loss after tax for the period</b>		<b>(375,992)</b>	<b>(427,657)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Net change in the fair value of available-for-sale financial assets		110,000	7,550
Income tax relating to components of other comprehensive income		-	-
<b>Other comprehensive income/(loss) for the period, net of tax</b>		<b>110,000</b>	<b>7,550</b>
<b>Total comprehensive (loss) for the period</b>		<b>(265,992)</b>	<b>(420,107)</b>
Basic and Diluted Loss per share (cents per share)	3	(0.74)	(0.84)

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**CONDENSED STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2015

	Note	31 December 2015 \$	30 June 2015 \$
<b>Current assets</b>			
Cash and cash equivalents		498,380	807,077
Trade and other receivables		1,474	2,347
Other assets		1,667	3,667
<b>Total current assets</b>		<b>501,521</b>	<b>813,091</b>
<b>Non-current assets</b>			
Property, plant and equipment		2,469	2,433
Available-for-sale financial assets	8	2,020,000	1,952,000
<b>Total non-current assets</b>		<b>2,022,469</b>	<b>1,954,433</b>
<b>Total assets</b>		<b>2,523,990</b>	<b>2,767,524</b>
<b>Current liabilities</b>			
Trade and other payables		96,644	74,186
<b>Total current liabilities</b>		<b>96,644</b>	<b>74,186</b>
<b>Total liabilities</b>		<b>96,644</b>	<b>74,186</b>
<b>Net assets</b>		<b>2,427,346</b>	<b>2,693,338</b>
<b>Equity</b>			
Issued capital	3	7,131,169	7,131,169
Reserves		594,000	484,000
Accumulated losses		(5,297,823)	(4,921,831)
<b>Total equity</b>		<b>2,427,346</b>	<b>2,693,338</b>

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**CONDENSED STATEMENT OF CHANGES IN EQUITY**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Issued Capital	Unrealised Gains Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>At 1 July 2015</b>	<b>7,131,169</b>	<b>484,000</b>	<b>(4,921,831)</b>	<b>2,693,338</b>
Net loss for the period	-	-	(375,992)	(375,992)
Net change in the fair value of available-for-sale financial assets	-	110,000	-	110,000
Reclassification to profit or loss on impairment of available-for-sale financial assets	-	-	-	-
Income tax relating to components of other comprehensive income	-	-	-	-
Issue of share capital	-	-	-	-
<b>At 31 December 2015</b>	<b>7,131,169</b>	<b>594,000</b>	<b>(5,297,823)</b>	<b>2,427,346</b>

	Issued Capital	Unrealised Gains Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>At 1 July 2014</b>	<b>7,131,169</b>	<b>640,450</b>	<b>(4,402,419)</b>	<b>3,369,200</b>
Net loss for the period	-	-	(427,657)	(427,657)
Net change in the fair value of available-for-sale financial assets	-	550,800	-	550,800
Reclassification to profit or loss on impairment of available-for-sale financial assets	-	(543,250)	-	(543,250)
Income tax relating to components of other comprehensive income	-	-	-	-
Issue of share capital	-	-	-	-
<b>At 31 December 2014</b>	<b>7,131,169</b>	<b>648,000</b>	<b>(4,830,076)</b>	<b>2,949,093</b>

The accompanying notes form part of these financial statements.

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**CONDENSED STATEMENT OF CASH FLOWS**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Six months to 31 December 2015 \$	Six months to 31 December 2014 \$
	Inflows/(Outflows)	
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(130,588)	(167,004)
Interest received	6,549	7,481
Net cash flows used in operating activities	<b>(124,039)</b>	<b>(159,523)</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of available-for-sale financial assets	(183,944)	-
Payments for purchase of property, plant and equipment	(714)	-
Net cash flows used in investing activities	<b>(184,658)</b>	-
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares	-	-
Net cash flows provided by financing activities	-	-
Net increase/(decrease) in cash held	(308,697)	(159,523)
Cash at the beginning of the period	807,077	675,917
<b>Cash at the end of the period</b>	<b>498,380</b>	<b>516,394</b>

The accompanying notes form part of these financial statements.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

### 1. Statement of Significant Accounting Policies

#### (a) Statement of compliance

These half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by Oakajee Corporation Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact (if any) of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### (b) Basis of preparation

The half-year financial report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

#### (c) Significant accounting judgements, estimates and assumptions

The preparation of half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2015.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

**1. Statement of Significant Accounting Policies (continued)****(d) Adoption of new and revised Accounting Standards**

In the half-year ended 31 December 2015, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for the current half-year reporting period.

It has been determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business or the amounts reported for the half-year reporting period. The Company has therefore not adopted new and revised Standards and Interpretations in the current period.

**(e) Going concern**

The financial report has been prepared on the basis of accounting principles applicable to a going concern which assumes the commercial realisation of the future potential of the Company's assets and the discharge of its liabilities in the normal course of business.

The Company has cash and cash equivalents at 31 December 2015 of \$498,380 and net operating cash outflows for the half year end 31 December 2015 of \$124,039.

The accounts have been prepared on a going concern basis for the following reason.

The Company has available-for-sale financial assets with a market value of \$2,020,000 at 31 December 2015. These available-for-sale financial assets represent investments in listed companies which are traded on ASX. The Company has the ability to sell these investments in a liquid market as and when the need for additional working capital arises.

Accordingly, the Directors believe that Oakajee Corporation Limited has access to sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the financial report.

<b>31 December 2015</b>	<b>31 December 2014</b>
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**2. LOSS BEFORE INCOME TAX EXPENSE**

The following revenue and expense items are relevant in explaining the financial performance for the half-year:

**(a) Revenue**

Interest income

6,549	7,481
<u>6,549</u>	<u>7,481</u>

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

<b>2. LOSS BEFORE INCOME TAX EXPENSE (continued)</b>		<b>31 December 2015</b>	<b>31 December 2014</b>
		<b>\$</b>	<b>\$</b>
(b) <i>Depreciation</i>			
Property plant and equipment		678	762
		<hr/>	<hr/>
(c) <i>Employee benefits expenses</i>			
Directors' fees and salaries		73,543	73,415
Employees' salaries		5,395	11,113
Superannuation		7,309	6,890
Annual leave expense		4,288	2,144
		<hr/>	<hr/>
		90,535	93,562
		<hr/>	<hr/>
(d) <i>Impairment expense</i>			
Available-for-sale financial assets		225,944	265,000
		<hr/>	<hr/>
<b>3. ISSUED CAPITAL</b>		<b>31 December 2015</b>	<b>30 June 2015</b>
		<b>\$</b>	<b>\$</b>
<i>Ordinary shares</i>			
Issued and fully paid		7,131,169	7,131,169
		<hr/>	<hr/>
		<b>Six months to 31 December 2015</b>	<b>Year to 30 June 2015</b>
		<b>No.</b>	<b>\$</b>
		<b>No.</b>	<b>\$</b>
		<hr/>	<hr/>
<i>Movements in ordinary shares</i>			
Balance at beginning of period	51,000,000	7,131,169	51,000,000
<i>No movement</i>			
Balance at end of period	51,000,000	7,131,169	51,000,000
		<hr/>	<hr/>
(b) <i>Loss per Share</i>		<b>31 December 2015</b>	<b>31 December 2014</b>
		<b>\$</b>	<b>\$</b>
Basic loss per share (cents per share)		(0.74)	(0.84)
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share		51,000,000	51,000,000
Loss used in the calculation of basic loss per share (\$)		(375,992)	(427,657)

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

### 4. SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance.

The chief operating decision maker for Oakajee Corporation Limited reviews internal reports prepared as financial statements and strategic decisions of the Company are determined upon analysis of these internal reports.

### 5. CONTINGENT LIABILITIES

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

### 6. RELATED PARTY TRANSACTIONS

During the period, Oakajee Corporation Limited paid \$13,512 (excluding GST) to a related entity of Mark Jones for rental of office premises.

Oakajee Corporation Limited has an agreement with a related entity of Mark Jones and Doug Rose, EZA Corporation Limited, to sub-lease its office premises. The Company was paid \$6,500 during the period.

There were no other related party transactions during the half year ended 31 December 2015.

### 7. EVENTS SUBSEQUENT TO REPORTING DATE

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

### 8. FINANCIAL INSTRUMENTS

This note provides information about how the Company determines fair values of various financial assets and liabilities.

AASB 7 Financial Instruments Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

There were no transfers between levels in the period.



**OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

**8. FINANCIAL INSTRUMENTS (CONTINUED)**

The following table presents the Company's assets and liabilities measured and recognised at fair value:

<b>31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Available- for sale financial assets	2,020,000	-	-	2,020,000
	<b>2,020,000</b>	-	-	<b>2,020,000</b>
<hr/>				
<b>31 December 2014</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Available- for sale financial assets	2,492,550	-	-	2,492,550
	<b>2,492,550</b>	-	-	<b>2,492,550</b>

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

**OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

**DIRECTORS' DECLARATION**

In the opinion of the directors of Oakajee Corporation Limited ("the Company"):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the half-year then ended; 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 signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



**Mark Jones**  
**Managing Director**

**25 February 2016**

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Oakajee Corporation Limited

### **Report on the Condensed Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Oakajee Corporation Limited ("the company"), which comprises the condensed statement of financial position as at 31 December 2015, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' responsibility for the half-year financial report*

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

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

*Norman Neill*

**N G Neill**  
**Partner**

**Perth, Western Australia**  
**25 February 2016**