Parkd Ltd

ABN 94 615 443 037

Annual Report – for the period 20 October 2016 (date of incorporation) to 30 June 2017

Parkd Ltd
Directors' report
30 June 2017

The directors present their report, together with the financial statements, of Parkd Ltd (referred to hereafter as the 'company') for the financial period ended 30 June 2017. The financial period commenced on the company's date of incorporation, the 20 October 2016.

Directors

The following persons were directors of Parkd Ltd during the whole of the financial period and up to the date of this report, unless otherwise stated:

Peter McUtchen
Ian McGregor Thom
David Thomas (resigned on 23 January 2017)
Bryant McLarty (appointed on 21 December 2016)
Bronte Howson (appointed on 10 May 2017)

Principal activities

During the period the principal continuing activities of the company consisted of developing an innovative modular parking system. The Parkd System/technology allows for lightweight concrete modular car parks to be manufactured and constructed in a fraction of the time of current build methodology. The pre-fabricated modular system means the car park can be relocated and adapted as parking demands rise and fall.

Costs associated with the research and development of the system have not at the reporting date met the criteria for recognition as an intangible asset. As a result, the company has recognised these costs as an expense when incurred. The company will re-assess the treatment of these costs during future periods as the company continues to progress with the development of its technology.

Review of operations

The loss for the company for the period amounted to $741,381.

Operating expenses during the period principally related to consulting fees, research expenses, general corporate overheads and costs associated with a proposed listing of the company on the Australian Securities Exchange ('ASX').

The company's cash and cash equivalents were $307,518 at the reporting date, with net assets of $265,955.

The company raised $720,000 before costs from the issue of 9,000,000 shares at $0.08 per share on 21 December 2016.

The company is an early stage company that has yet to earn revenue or commercialise its technology.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial period.

Comparatives

There is no comparative information as the company was only incorporated on 20 October 2016.

Matters subsequent to the end of the financial period

On 18 July 2017 the Company issued 5,500,000 options with an exercise price of $0.30 and an expiry date of 1 December 2020.

No other matter or circumstance has arisen since 30 June 2017 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.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Peter McUtchen
Title:	Managing Director
Qualifications:	B.Eng. (Civil Engineering)
Experience and expertise:	Peter McUtchen has 14 years experience in the structural design and construction of specialist concrete buildings and structures. Peter’s experience in the construction industry was founded with the specialist subcontractor Soletanche Freyssinet where he developed his expertise in the design and construction of post-tensioned structures and management of construction projects. Upon establishing the Freyssinet brand in the Western Australian market, he transitioned into the engineering consulting industry becoming the Practice Manager for ADG Engineers (a national structural and civil engineering consultancy). Peter’s experience with Freyssinet spanned 11 years in both Australia and the United Kingdom, where he specialised in the design of post-tensioned structures and management of the building and construction areas of the business. Peter’s work at ADG Engineers in Perth focused on providing complete structural designs and solutions for builders and developers whilst continuing to partner with specialist subcontractors in the design of post-tensioned structures. Peter is the appointed President of the West Australian branch of the Concrete Institute of Australia where he represents corporate partners and individuals working in the concrete industry.
Special responsibilities:	Managing Director

Name:	Bronte Howson (appointed 10 May 2017)
Title:	Non-Executive Chairman
Qualifications:	MAICD
Experience and expertise:	Bronte Howson has experience in the Australian automotive retailing industry in a career spanning more than 35 years. He was appointed CEO of Automotive Holdings Group (ASX:AHG) in January 2000 and became Managing Director in 2007 until 2017. Mr Howson led AHG from being a private group with operations largely based in Western Australia to becoming the nation’s leading listed specialist Automotive and Logistics Group, establishing a track record of driving profitable growth. Mr Howson is President and a Life Member of the East Perth Football Club and was awarded honorary life membership of Rocky Bay for his support of the charity. He was awarded the Medal in the Order of Australia in the 2016 Queen’s Birthday honours list for services to the automotive industry and to charities.
Special responsibilities:	Member of Audit and Risk Committee and Chair of Remuneration and Nomination Committee

Name:	Bryant McLarty (appointed on 21 December 2016)
Title:	Non-Executive Director
Qualifications:	Nil
Experience and expertise:	Bryant Mclarty is the Executive Chairman of Mac Equity Partners, a boutique Western Australian stockbroking and corporate advisory business operating since 2009. Clients include ASX listed, public and private companies, wholesale high net worth investors and overseas funds who are provided with a range of services including capital raising, share trading, corporate advisory, marketing, presentation, consulting and strategic advice. Mr McLarty has over 20 years’ experience in public capital markets and raising capital for technology ventures. Bryant was the Executive Chairman of PharmAust Limited (ASX: PAA), during which time it provided highly specialised medicinal and synthetic chemistry services on a contract basis to clients. Bryant was also a Non-Executive Director of Avation PLC (LSE: AVAP), a specialist commercial passenger aircraft leasing company managing a fleet of 24 aircraft, from 2008 to 2013. Mr Mclarty was a Non-Executive Director of Hazer Group Limited (ASX:HZR) from prior to its ASX listing until February 2017.
Special responsibilities:	Chair of Audit and Risk Committee and Member of Remuneration and Nomination Committee

Name:	Ian McGregor Thom
Title:	Executive Director
Qualifications:	LLB, LLM (Corporate and Commercial), Assoc Dip.Accounting and MAICD
Experience and expertise:	McGregor Thom is a qualified Solicitor admitted to practice in Western Australia. Mr Thom commenced his legal training with Mallesons Stephen Jacques and has accumulated legal experience in both Australia and the United Kingdom, where he worked in the General Counsel's Office for American Express Bank, London 2001 to 2003. McGregor was later employed at the English law firm Addleshaw Goddard, where he worked in the Corporate Department in 2007. McGregor's experience extends to corporate finance, in particular, capital raisings for ASX companies. He has worked as a Corporate Adviser for Montagu Corporate and has previously been a Securities Adviser at Hartley Poynton. McGregor is responsible at Parkd for overseeing corporate and commercial strategies.
Special responsibilities:	Member of Audit and Risk Committee and Remuneration and Nomination Committee

Company secretary

Emma Waldon has held the role of Company Secretary since 10 August 2015. Emma has diverse global corporate advisory, capital markets and corporate governance experience having held roles in accounting and debt and equity capital markets in Australia and the United Kingdom. Emma qualified as a Chartered Accountant with Ernst & Young in Perth, worked as an Equities Analyst with Euroz Securities and spent 9 years in London with Bank of Scotland and Lloyds Bank originating and re-structuring debt finance for private equity leveraged buy-outs of businesses across Europe. Emma was most recently a Director within Deloitte's financial advisory services division in Perth and is currently Company Secretary of Hazer Group Limited and a number of private companies. Emma has completed a Bachelor of Commerce at UWA, is a member of the Institute of Chartered Accountants of Australia and a Certificated Member of the Governance Institute of Australia.

Meetings of directors

The number of meetings of the company's Board of Directors (the 'Board') held during the period ended 30 June 2017, and the number of meetings attended by each director were:

	Board meetings	
	Attended	Held
Peter McUtchen	-	-
Bronte Howson	-	-
Bryant McLarty	-	-
Ian McGregor Thom	-	-
David Thomas	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Shares under option

There were 14,500,000 unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the period ended 30 June 2017 and up to the date of this report.

Indemnity and insurance of officers

The company has not indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the company did not pay a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001.

Parkd Ltd
Directors' report
30 June 2017

Indemnity and insurance of auditor
The company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial period, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

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 directors' report.

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

On behalf of the directors

Peter McUtchen
Director

11 August 2017
Perth

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Parkd Ltd for the period 20 October 2016 to 30 June 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

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 11 August 2017

General information

The financial statements cover Parkd Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Parkd Ltd's functional and presentation currency.

Parkd Ltd is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Edwards Irvine and Facius 128 Northwood Street West Leederville WA 6007	Unit 1, 56-58 Mount Street West Perth WA 7006

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11 August 2017.

Parkd Ltd
Statement of profit or loss and other comprehensive income
For the period ended 30 June 2017

	Note	30 June 2017 $
Revenue		-
Expenses		
Administration expenses		(164,283)
Consulting and research expenses		(237,168)
Finance costs		(396)
Share based payments		(339,534)
Loss before income tax expense		(741,381)
Income tax expense		-
Loss after income tax expense for the period		(741,381)
Other comprehensive income for the period, net of tax		-
Total comprehensive loss for the period		(741,381)

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

Parkd Ltd
Statement of financial position
As at 30 June 2017

	Note	30 June 2017 $
Assets		
Current assets		
Cash and cash equivalents	3	307,518
Prepayments and other receivables		15,843
GST refundable		33,346
Total current assets		356,707
Total assets		356,707
Liabilities		
Current liabilities		
Trade and other payables		90,752
Total current liabilities		90,752
Total liabilities		90,752
Net assets		265,955
Equity		
Issued capital	4	667,802
Reserves	5	339,534
Accumulated losses	6	(741,381)
Total equity		265,955

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

Parkd Ltd
Statement of changes in equity
For the period ended 30 June 2017

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 20 October 2016	-	-	-	-
Loss after income tax expense for the period	-	-	(741,381)	(741,381)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive loss for the period	-	-	(741,381)	(741,381)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	667,802	-	-	667,802
Share based payments	-	339,534	-	339,534
Balance at 30 June 2017	667,802	339,534	(741,381)	265,955

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

Parkd Ltd
Statement of cash flows
For the period ended 30 June 2017

	Note	30 Jun 2017 $
Cash flows from operating activities		
Payments to suppliers and consultants (inclusive of GST)		(359,888)
Interest and other finance costs paid		(396)
Net cash used in operating activities		(360,284)
Cash flows from investing activities		
Net cash from investing activities		-
Cash flows from financing activities		
Proceeds from issue of shares		720,032
Share issue costs		(52,230)
Net cash from financing activities		667,802
Net increase in cash and cash equivalents		307,518
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		307,518

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

Note 1. Significant accounting policies

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

New, revised or amending Accounting Standards and Interpretations adopted

The company 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 yet mandatory have not been early adopted.

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 complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the owners of Parkd Ltd. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the owners of Parkd 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 1031 'Materiality', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

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.

Comparatives
There is no comparative information as the company was only incorporated on 20 October 2016.

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.

Interest
Interest revenue is recognised as interest accrues using the effective interest method.

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

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 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 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.

Note 1. Significant accounting policies (continued)

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.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

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 company will not be able to collect all amounts due according to the original terms of the receivables. 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.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial period 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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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.

Note 1. Significant accounting policies (continued)

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 company is able to use or sell the asset; the company has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

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 company for the reporting period ended 30 June 2017. 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. 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.

Share-based payment transactions
The company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 3. Current assets - cash and cash equivalents

	30 June 2017 $
Cash at bank	307,518
	307,518

Note 4. Equity - issued capital

	30 June 2017 Shares	30 June 2017 $
Ordinary shares - fully paid	41,400,000	667,802

Movements in ordinary shares

	No of shares	Issue price	$
Opening balance 20 October 2016	-		-
Issue of shares on incorporation, 20 October 2016	1,000		1
Issue of shares, 27 October 2016	32,400,000	$0.000001	32
Cancellation of shares issued on incorporation, 22 November 2016	(1,000)		(1)
Issue of shares, seed capital raising, 21 December 2016	9,000,000	$0.08	720,000
Share issue transaction costs, net of tax, seed capital raising	-		(52,230)
Closing balance 30 June 2017	41,400,000		667,802

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.

Capital risk management
The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

	30 June 2017 **$**
Note 5. Equity - reserves	
Option reserve	339,534
	339,534

Option reserve
The option reserve records items recognised as expenses on the valuation of share options.

Movements in reserves
Movements in each class of reserve during the period are set out below:

	No of Options	**Value** **$**
Balance at 20 October 2016	-	-
New options issued on 4 November 2016 (vested at issue date)		
Exercise price $0.30, expiry date 1 December 2020	9,000,000	339,534
Balance at 30 June 2017	9,000,000	339,534

Of the above movements during the period, $339,534 were expensed to the statement of profit or loss and other comprehensive income.

	30 June 2017 **$**
Note 6. Equity – Accumulated losses	
Accumulated losses at the beginning of the period	-
Loss after income tax expense for the period	(741,381)
Accumulated losses at the end of the period	(741,381)

Note 7. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company and its network firms:

	30 June 2017 **$**
Audit services - RSM Australia Partners	
Audit of interim financial statements	6,000
Audit of the financial statements	6,000
	12,000

Note 8. Contingent liabilities

The company had the following contingent liabilities at 30 June 2017:

- Subject to completion of an initial public offer fundraising and listing of the Company's securities on the Australian Securities Exchange, the Company has agreed to issue 3,500,000 ordinary shares and 2,500,000 options with an exercise price of $0.30 and an expiry date of 1 December 2020 to Mac Equity Partners (International) Pty Ltd, a company controlled by Bryant Mclarty, or their nominee, pursuant to a corporate advisory and capital raising mandate agreement.

Note 9. Commitments

	30 June 2017 $
Committed at the reporting date but not recognised as liabilities, payable:	
Within one year	1,600
Total	1,600

Note 10. Events after the reporting period

On 18 July 2017 the Company issued 5,500,000 options with an exercise price of $0.30 and an expiry date of 1 December 2020.

No other matter or circumstance has arisen since 30 June 2017 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.

Note 11. Reconciliation of profit after income tax to net cash from operating activities

	30 June 2017 $
Loss for the period	(741,381)
Adjustments for:	
Share based payments	339,534
Change in operating assets and liabilities:	
Other receivables	(640)
GST receivable	(33,346)
Prepayment	(15,203)
Trade and other payables	90,752
Net cash used in operating activities	(360,284)

Note 12. Income Tax

The prima facie tax receivable on loss before income tax is reconciled to the income tax expense as follows:

	30 June 2017 $
Prima facie benefit on operating loss at 30%	222,414
Tax losses not brought to account	(222,414)
Income tax benefit attributable to operating loss	-

A potential deferred tax asset, attributable to tax losses carried forward, amounts to approximately $222,414 and has not been brought to account at reporting date because the directors do not believe it is appropriate to regard realisation of the deferred tax asset as probable at this point in time. This benefit will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

Parkd Ltd
Directors' declaration
30 June 2017

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in Note 1, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the owners of Parkd Ltd;

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards to the extent described in Note 1, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial period ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Peter McUtchen
Director

11 August 2017

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PARKD LTD

Opinion

We have audited the financial report of Parkd Ltd (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period 20 October 2016 to 30 June 2017, 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 Company is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for period 20 October 2016 to 30 June 2017; 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 Company 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period 20 October 2016 to 30 June 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 Company 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 Company 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: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 11 August 2017