

**PARKD Limited**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity:	PARKD Limited
ABN:	94 615 443 037
Reporting period:	For the half-year ended 31 December 2019
Previous period:	For the half-year ended 31 December 2018

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**2. Results for announcement to the market**

					\$
Revenues from ordinary activities	down	2%	to		130,000
Loss for the period	down	66%	to		634,588
Loss to the owners of PARKD Limited	down	66%	to		634,588

*Dividends*

No dividends were paid in the period.

*Comments*

The loss for the Company amounted to \$634,588 (31 December 2018: loss of \$1,853,715).

During the half-year the Company completed a number of fee generating car park design projects and continued to tender and price a number of car parks in Australia. The Company also continued research and development activities to improve its modular car parking system and received a research and development rebate of \$437,359.

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**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>2.27</u>	<u>2.80</u>

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**4. Control gained over entities**

Not applicable.

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**5. Loss of control over entities**

Not applicable.

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**6. Details of associates and joint venture entities**

Not applicable.

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**7. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the auditor's review report is attached as part of the Interim Report.

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**8. Attachments**

*Details of attachments (if any):*

The Interim Report of PARKD Limited for the half-year ended 31 December 2019 is attached.

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**9. Signed**

Signed



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Peter McUtchen  
Director  
Perth

Date: 17 February 2020

**PARKD LIMITED**

**ABN 94 615 443 037**

**Interim Report - 31 December 2019**

**PARKD Limited  
Directors' report  
31 December 2019**

The directors present their report, together with the financial statements, of PARKD Limited (referred to hereafter as the 'Company') at the end of, or during, the half-year ended 31 December 2019.

**Directors**

The following persons were directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Bronte Howson  
Bryant Mclarty  
Peter McUtchen  
Robert Freedman  
Robert Martin

**Principal activities**

During the period the principal continuing activities of the Company were the design and construction of modular car parks and the further developing and innovating of the modular car parking system. The PARKD car park system is currently designed for single or multi rise arrangements for up to six levels, including the ground level.

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 continued to recognise these costs as an expense when incurred.

**Review of operations**

The loss for the Company amounted to \$634,588 (31 December 2018: loss of \$1,853,715).

During the half-year the Company completed a number of fee generating car park design projects and continued to tender and price a number of car parks in Australia. The Company also continued research and development activities to improve its modular car parking system and received a research and development rebate of \$437,359.

The Company's cash and cash equivalents were \$1,704,722 at 31 December 2019 (30 June 2019: \$2,433,347) and net assets at 31 December 2019 were \$1,808,316 (30 June 2019: \$2,442,904).

The operating cash outflow for the half-year decreased by 62% to 728,625 (31 December 2018: \$1,923,344) and there were no cash flows from investing and financing activities (31 December 2018: financing activities inflow of \$164,189).

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Company during the half-year.

**Matters subsequent to the end of the financial half-year**

No matter or circumstance has arisen since 31 December 2019 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.

**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 on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Peter McUtchen  
Director

17 February 2020  
Perth

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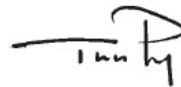
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of PARKD Limited for the half-year ended 31 December 2019, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature of "RSM" in black ink.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to read "Tutu Phong".

TUTU PHONG  
Partner

Perth, WA  
Dated: 17 February 2020

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**PARKD Limited**  
**Contents**  
**31 December 2019**

**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 review report

**General information**

The financial statements cover PARKD Limited. The financial statements are presented in Australian dollars, which is PARKD Limited's functional and presentation currency.

PARKD Limited is a listed public company limited by shares, incorporated and domiciled in Australia. PARKD Limited was admitted to the official list on the ASX on 4 December 2017. Official quotation of its securities commenced on the 6 December 2017.

Its registered office and principal place of business are:

**Registered office**

441 Stirling Highway  
Claremont WA 6010

**Principal place of business**

441 Stirling Highway  
Claremont WA 6010

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 17 February 2020.

**PARKD Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2019**

		<b>31 Dec 2019</b>	<b>31 Dec 2018</b>
		\$	\$
Revenue from contracts with customers	3	130,000	133,374
Cost of sales		<u>(143,723)</u>	<u>(141,831)</u>
<b>Gross loss</b>		<b>(13,723)</b>	<b>(8,457)</b>
Other income	3	453,020	9,026
Administration expenses		(541,386)	(418,084)
Research, development and components expenses		-	(875,548)
Employee benefits expenses		(518,967)	(457,479)
Share based payments		-	(102,364)
Finance costs		<u>(13,532)</u>	<u>(809)</u>
<b>Loss before income tax expense</b>		<b>(634,588)</b>	<b>(1,853,715)</b>
Income tax expense		<u>-</u>	<u>-</u>
<b>Loss after income tax expense for the half-year</b>		<b>(634,588)</b>	<b>(1,853,715)</b>
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the half-year</b>		<b><u>(634,588)</u></b>	<b><u>(1,853,715)</u></b>
		<b>Cents</b>	<b>Cents</b>
Basic loss per share		(0.84)	(2.47)
Diluted loss per share		(0.84)	(2.47)

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

**PARKD Limited**  
**Statement of financial position**  
**As at 31 December 2019**

	Note	31 Dec 2019 \$	30 Jun 2019 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,704,722	2,433,347
Trade and other receivables		59,000	129,500
Other current assets		186,004	79,231
<b>Total current assets</b>		<u>1,949,726</u>	<u>2,642,078</u>
<b>Non-current assets</b>			
Right to use asset		103,094	-
<b>Total non-current asset</b>		<u>103,094</u>	<u>-</u>
<b>Total assets</b>		<u>2,052,820</u>	<u>2,642,078</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		129,040	182,734
Lease liability		93,503	-
Employee benefits		21,961	16,440
<b>Total current liabilities</b>		<u>244,504</u>	<u>199,174</u>
<b>Total liabilities</b>		<u>244,504</u>	<u>199,174</u>
<b>Net assets</b>		<u>1,808,316</u>	<u>2,442,904</u>
<b>Equity</b>			
Issued capital	4	5,979,519	5,979,519
Reserves	5	1,105,943	1,105,943
Accumulated losses	6	(5,277,146)	(4,642,558)
<b>Total equity</b>		<u>1,808,316</u>	<u>2,442,904</u>

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



**PARKD Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2019**

	<b>Issued capital</b>	<b>Reserves</b>	<b>Accumulated losses</b>	<b>Total equity</b>
	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	5,979,519	785,821	(3,070,049)	3,695,291
Loss after income tax expense for the half-year	-	-	(1,853,715)	(1,853,715)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(1,853,715)	(1,853,715)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	-	164,189	-	164,189
Share-based payments	-	102,364	-	102,364
<b>Balance at 31 December 2018</b>	<u>5,979,519</u>	<u>1,052,374</u>	<u>(4,923,764)</u>	<u>2,108,129</u>
<b>Balance at 1 July 2019</b>	5,979,519	1,105,943	(4,642,558)	2,442,904
Loss after income tax expense for the half-year	-	-	(634,588)	(634,588)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(634,588)	(634,588)
<b>Balance at 31 December 2019</b>	<u>5,979,519</u>	<u>1,105,943</u>	<u>(5,277,146)</u>	<u>1,808,316</u>

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

**PARKD Limited**  
**Statement of cash flows**  
**For the half-year ended 31 December 2019**

	Note	31 Dec 2019 \$	31 Dec 2018 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		213,500	72,437
Payments to suppliers and employees (inclusive of GST)		(1,375,254)	(2,000,762)
Research and development rebate		437,359	-
Interest received		2,223	5,790
Interest and other finance costs paid		(6,452)	(809)
<b>Net cash used in operating activities</b>		<u>(728,625)</u>	<u>(1,923,344)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of options		-	187,875
Option issue costs		-	(23,686)
<b>Net cash provided by financing activities</b>		<u>-</u>	<u>164,189</u>
<b>Net decrease in cash and cash equivalents</b>		(728,625)	(1,759,155)
Cash and cash equivalents at the beginning of the financial half-year		2,433,347	3,936,616
<b>Cash and cash equivalents at the end of the financial half-year</b>		<u><u>1,704,722</u></u>	<u><u>2,177,461</u></u>

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

**Note 1. Significant accounting policies**

These interim financial statements are general purpose financial statements prepared in accordance with requirements of Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with AASB134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These interim financial statements do not include full disclosures of the type normally included in an annual report. It is recommended that these interim financial statements be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

These interim financial statements were authorised for issue on 17 February 2020.

The interim financial statements have been presented in Australian dollars (AUD), which is the Company's functional and presentation currency.

Accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

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

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board 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.

Accounting Standards and Interpretations adopted by the Company that are mandatory for the current reporting period:

The following Accounting Standards and Interpretations are most relevant to the Company:

*AASB 16 Leases*

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classification of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

*Impact of adoption*

AASB 16 was adopted using the modified retrospective approach and as such comparatives have not been restated. The impact of adoption on opening accumulated losses as at 1 July 2019 was as follows:

	1 July 2019
Operating lease commitments as at 1 July 2019 (AASB 117)	132,843
Operating lease commitments discounted based on the weighted average incremental borrowing rate of 6% (AASB 16)	<u>(6,771)</u>
Right-of-use assets (AASB 16)	<u>126,072</u>
Lease liabilities – current (AASB 16)	(66,658)
Lease liabilities – non-current (AASB 16)	<u>(59,414)</u>
Impact on opening accumulated losses as at 1 July 2019	<u><u>-</u></u>

### **Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over the estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### **Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**PARKD Limited**  
**Notes to the financial statements**  
**31 December 2019**

**Note 2. Operating segments**

The Company identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The information presented in the financial report is the same information that is viewed by the Directors.

The Company is currently operating in one business segment being the construction sector and one geographic segment being Australia.

**Note 3. Revenue**

	31 Dec 2019	31 Dec 2018
<i>Revenue from contracts with customers</i>		
Design work	130,000	97,981
Construction	-	35,393
	<u>130,000</u>	<u>133,374</u>
<i>Other revenue</i>		
Interest income	2,223	5,790
Research and development tax rebate	437,359	-
Other income	13,438	3,236
	<u>453,020</u>	<u>9,026</u>
<i>Disaggregation of revenue</i>		
The disaggregation of revenue from contracts with customers is as follows:		
<i>Timing of revenue recognition</i>		
Goods transferred over time - construction	-	35,393
Services transferred at a point in time - design work	130,000	97,981
	<u>130,000</u>	<u>133,374</u>

**Note 4. Equity - issued capital**

	31 Dec 2019	30 Jun 2019	31 Dec 2019	30 Jun 2019
	Shares	Shares	\$	\$
Ordinary shares - fully paid	75,150,000	75,150,000	5,979,519	5,979,519

**Movements in share capital**

	No of shares	Issue price	\$
<b>Opening balance as at 1 July 2019</b>	75,150,000		5,979,519
Issued during the period	-	-	-
<b>Closing balance as at 31 December 2019</b>	<u>75,150,000</u>		<u>5,979,519</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.

**PARKD Limited**  
**Notes to the financial statements**  
**31 December 2019**

**31 Dec 2019**    **30 Jun 2019**  
\$                    \$

**Note 5. Equity - reserves**

Option reserve	942,864	942,864
Listed option reserve	163,079	163,079
	<u>1,105,943</u>	<u>1,105,943</u>

*Option reserve*

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

*Listed Option reserve*

The option reserve records the value of listed options issued but not yet exercised.

*Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

**Option reserve**

	No of Options	Value \$
<b>Balance at 1 July 2019</b>	20,650,000	942,864
	<u>20,650,000</u>	<u>942,864</u>

**Balance at 31 December 2019**

**Listed option reserve**

	No of Options	Value \$
<b>Balance at 1 July 2019</b>	18,787,500	163,079
Options expired during the period	(18,787,500)	-
	<u>-</u>	<u>163,079</u>

**Balance at 31 December 2019**

**31 Dec 2019**    **30 Jun 2019**  
\$                    \$

**Note 6. Equity – Accumulated losses**

Accumulated losses at the beginning of the financial period	(4,642,558)	(3,070,049)
Loss after income tax expense for the period	(634,588)	(1,572,509)
	<u>(5,277,146)</u>	<u>(4,642,558)</u>

Accumulated losses at the end of the financial period

**Note 7. Contingent liabilities**

The Company does not have any contingent liabilities as at 31 December 2019.

**Note 8. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2019 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.

**PARKD Limited**  
**Directors' declaration**  
**31 December 2019**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half-year 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 the directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Peter McUtchen  
Director

17 February 2020  
Perth



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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
PARKD LIMITED**

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

We have reviewed the accompanying half-year financial report of PARKD Limited, which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 2019 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 PARKD Limited, 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.

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*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of PARKD Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

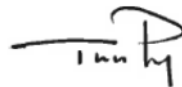
*Conclusion*

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 PARKD 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 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 17 February 2020