

# **OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

Half-Year Report and Appendix 4D  
For the half-year ended 31 December 2013

# OAKAJEE CORPORATION LIMITED

ACN 123 084 453

## Results for Announcement to the Market for the Half-year ended 31 December 2013

Current Reporting Period: Half-year ended 31 December 2013  
Previous Reporting Period: Half-year ended 31 December 2012

### 1. Revenue and Net Profit

		Percentage change (%)		Amount \$
Revenue	down	(97%)	to	4,210
Net loss	up	1622%	to	(1,410,776)

### 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 2013 was \$1,410,776 (31 December 2012: \$81,919).

During the half-year, the Company successfully completed a placement to raise \$600,000 before costs.

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 2013 the Company had net assets of \$3,990,499.

### 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 2013.

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

**4. Net Tangible Asset per Security**

NTA Backing	31 December 2013	31 December 2012
Net Tangible Assets	3,990,499	9,108,234
Securities on issue	51,000,000	45,000,000
Net Tangible Asset Backing per Security (cents/security)	7.82	20.24

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

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

**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**  
**31 DECEMBER 2013**

# OAKAJEE CORPORATION LIMITED

ACN 123 084 453

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**OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

**CORPORATE DIRECTORY**

**DIRECTORS:**

Mr Graham Anderson (Chairman)  
Mr Mark Jones  
Mr Garry Thomas

**COMPANY SECRETARY:**

Mr Graham Anderson

**REGISTERED AND PRINCIPAL OFFICE:**

14 Emerald Terrace  
WEST PERTH WA 6005  
Tel: +61 8 9322 2700  
Fax: +61 8 9322 7211  
Email: admin@oakajeecorp.com.au

**POSTAL ADDRESS:**

PO Box 389  
WEST PERTH WA 6872

**WEBSITE:**

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

**SHARE REGISTRY:**

Advanced Share Registry Services  
Unit 2/150 Stirling Highway  
NEDLANDS WA 6009

**HOME STOCK EXCHANGE:**

Australian Securities Exchange Limited  
Level 2  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000  
ASX Code: OKJ

**AUDITOR:**

HLB Mann Judd  
Chartered Accountants  
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 Company for the half-year ended 31 December 2013. 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.

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Graham Douglas Anderson	Chairman
Mark Wesley Jones	Managing Director
Garry Thomas	Non-executive Director

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**Review of Operations**

The net loss after income tax attributable to members of the Company for the half-year ended 31 December 2013 was \$1,410,776 (31 December 2012: \$81,919).

During the half-year, the Company successfully completed a placement to raise \$600,000 before costs.

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 2013 the Company had net assets of \$ 3,990,499.

**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 2013.

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



Graham Anderson  
Chairman  
24 February 2014

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Oakajee Corporation Limited for the year ended 31 December 2013, 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  
24 February 2014

**N G Neill**  
Partner



OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Note	Half-Year ended 31 December 2013 \$	Half-Year ended 31 December 2012 \$
<b>Revenue</b>	2	4,210	137,405
<b>Expenses</b>			
Administration expenses		60,495	79,967
Employee benefits expense	2	102,893	139,891
Legal and professional expenses		-	3,691
Depreciation and amortisation expense	2	1,047	1,354
Impairment expense	2	1,250,551	-
Travel expenses		-	23,361
<b>Loss before income tax</b>		<b>(1,410,776)</b>	<b>(110,859)</b>
Income tax benefit		-	28,940
<b>Loss after tax for the period</b>		<b>(1,410,776)</b>	<b>(81,919)</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		(270,000)	(1,207,688)
<i>Reclassification adjustment:</i>			
Reclassification to profit or loss on disposal of available-for-sale financial assets		-	(177,077)
Income tax relating to components of other comprehensive income		-	412,286
<b>Other comprehensive (loss) for the period, net of tax</b>		<b>(270,000)</b>	<b>(972,479)</b>
<b>Total comprehensive (loss) for the period</b>		<b>(1,680,776)</b>	<b>(1,054,398)</b>
Basic and Diluted Loss per share (cents per share)	3	(2.86)	(0.20)

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 2013

	Note	31 December 2013 \$	30 June 2013 \$
<b>Current assets</b>			
Cash and cash equivalents		360,315	26,685
Trade and other receivables		1,751	12,986
Other assets		3,036	6,560
<b>Total current assets</b>		<b>365,102</b>	<b>46,231</b>
<b>Non-current assets</b>			
Property, plant and equipment		5,269	6,316
Available-for-sale financial assets		3,692,672	5,113,550
<b>Total non-current assets</b>		<b>3,697,941</b>	<b>5,119,866</b>
<b>Total assets</b>		<b>4,063,043</b>	<b>5,166,097</b>
<b>Current liabilities</b>			
Trade and other payables		72,544	94,822
<b>Total current liabilities</b>		<b>72,544</b>	<b>94,822</b>
<b>Total liabilities</b>		<b>72,544</b>	<b>94,822</b>
<b>Net assets</b>		<b>3,990,499</b>	<b>5,071,275</b>
<b>Equity</b>			
Issued capital	3	7,131,169	6,531,169
Reserves		270,000	540,000
Accumulated losses		(3,410,670)	(1,999,894)
<b>Total equity</b>		<b>3,990,499</b>	<b>5,071,275</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 2013

	Issued Capital	Unrealised Gains Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>At 30 June 2013</b>	<b>6,531,169</b>	<b>540,000</b>	<b>(1,999,894)</b>	<b>5,071,275</b>
Net loss for the period	-	-	(1,410,776)	(1,410,776)
Net change in the fair value of available-for-sale financial assets	-	(270,000)	-	(270,000)
Reclassification to profit or loss on disposal of available-for-sale financial assets	-	-	-	-
Income tax relating to components of other comprehensive income	-	-	-	-
Issue of share capital	600,000	-	-	600,000
<b>At 31 December 2013</b>	<b>7,131,169</b>	<b>270,000</b>	<b>(3,410,670)</b>	<b>3,990,499</b>

	Issued Capital	Unrealised Gains Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>At 30 June 2012</b>	<b>4,031,169</b>	<b>1,350,006</b>	<b>2,281,457</b>	<b>7,662,632</b>
Net loss for the period	-	-	(81,919)	(81,919)
Net change in the fair value of available-for-sale financial assets	-	(1,207,688)	-	(1,207,688)
Reclassification to profit or loss on disposal of available-for-sale financial assets	-	(177,077)	-	(177,077)
Income tax relating to components of other comprehensive income	-	412,286	-	412,286
Issue of share capital	2,500,000	-	-	2,500,000
<b>At 31 December 2012</b>	<b>6,531,169</b>	<b>377,527</b>	<b>2,199,538</b>	<b>9,108,234</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 2013

	Half Year ended 31 December 2013 \$	Half Year ended 31 December 2012 \$
	Inflows/(Outflows)	
<b>Cash flows from operating activities</b>		
Receipts from sub rental income	-	8,132
Payments to suppliers and employees	(170,907)	(296,238)
Interest received	4,210	12,343
Net cash flows used in operating activities	(166,697)	(275,763)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(6,432)
Dividend received	-	110,000
Payments on purchase of investments	(99,673)	(2,510,330)
Proceeds from disposal of available-for-sale financial assets	-	170,419
Net cash flows used in investing activities	(99,673)	(2,236,343)
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares	600,000	2,500,000
Net cash flows provided by financing activities	600,000	2,500,000
Net increase/(decrease) in cash held	333,630	(12,106)
Cash at the beginning of the period	26,685	19,432
<b>Cash at the end of the period</b>	<b>360,315</b>	<b>7,326</b>

The accompanying notes form part of these financial statements.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

### 1. Statement of Significant Accounting Policies

#### (a) Statement of compliance

These interim 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 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 Company 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 2013 and any public announcements made by Oakajee Corporation Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

#### (b) Basis of preparation

The interim 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 interim report, the half-year has been treated as a discrete reporting period.

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

The preparation of interim financial reports requires management to make judgements, 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 interim report, the significant judgements 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 2013.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

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

##### (d) Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2013, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2013.

It has been determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Directors have also reviewed all new standards and interpretations that have been issued but are not yet effective for the half-year ended 31 December 2013. As a result of this review, the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and therefore, no change necessary to Company accounting policies.

##### (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 2013 of \$360,315, a loss after income tax benefit of \$1,410,776 and net operating cash outflows for the half year ended 31 December 2013 of \$166,697.

Notwithstanding the above, 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 \$3,692,672 at 31 December 2013. 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.

	31 December 2013	31 December 2012
<b>2. Loss before Income Tax Expense</b>	<b>\$</b>	<b>\$</b>

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

	31 December 2013	31 December 2012
<b>(a) Revenue</b>		
Interest income	4,210	12,344
Sub-lease income	-	1,814
Gain on sale of listed investments	-	123,247
	4,210	137,405

OAKAJEE CORPORATION LIMITED

ACN 123 084 453

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	31 December 2013	31 December 2012
	\$	\$
<b>2. Loss before Income Tax Expense (continued)</b>		
(b) <b>Depreciation</b>		
Property plant and equipment	1,047	1,354
(c) <b>Employee and directors' benefits expenses</b>		
Directors' fees and salaries	71,468	101,507
Employees' salaries	19,653	21,557
Superannuation	7,506	9,996
Annual leave expense	4,269	6,831
	<u>102,896</u>	<u>139,891</u>
(d) <b>Office rent expense</b>	<u>10,398</u>	<u>11,110</u>
(e) <b>Impairment expense</b>		
Available-for-sale financial assets	<u>1,250,551</u>	<u>-</u>

**3. Issued Capital**

(a) **Movements in fully paid ordinary shares during the period**

	No. of Shares	\$
At 1 July 2013	45,000,000	6,531,169
Issue of shares under placement	<u>6,000,000</u>	<u>600,000</u>
At 31 December 2013	<u>51,000,000</u>	<u>7,131,169</u>

(b) **Loss per Share**

	Half-year ended 31 December 2013	Half-year ended 31 December 2012
Basic loss per share (cents per share)	(2.86)	(0.20)
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	49,271,739	41,385,869
Loss used in the calculation of basic loss per share (\$)	(1,410,776)	(81,919)

**4. Dividends**

No dividends have been paid or proposed as at 31 December 2013.

As at 31 December 2013 the Company has no franking credits available for use in future years.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**5. Segment Reporting**

The Company has adopted AASB 8 *Operating Segments* which 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. During the period, the Company operated predominantly in one segment being the limestone extraction sector in Australia. Accordingly, under the "management approach" outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

**6. Contingent Liabilities**

There has been no change in contingent liabilities since 30 June 2013.

**7. Related Party Transactions**

During the period, Oakajee Corporation Limited paid \$10,398 (excluding GST) to a Director related entity of Mark Jones for rental of office premises.

During the period, Oakajee Corporation paid \$12,000 to GDA Corporate Pty Ltd for accounting and company secretarial services. The Company paid \$12,000 to Graham D Anderson & Co. for Chairman's fees. Mr Graham Anderson is a Director of GDA Corporate Pty Ltd and Graham D Anderson & Co. and Chairman of Oakajee Corporation. There was a balance of \$2,000 outstanding to GDA Corporate Pty Ltd as at 31 December 2013.

There were no other related party transactions during the half year ended 31 December 2013.

**8. Events Subsequent to Reporting Date**

The market value of the Company's available-for-sale financial assets decreased by \$461,876 to \$3,230,796 as at 21 February 2014. Due to market volatility, the value of these investments may fluctuate materially either positively or negatively on a daily basis.

No other matters or events have arisen since 31 December 2013 which have significantly affected, or may significantly affect, the operations of the Company, the results of the operations, or the state of affairs of the Company in future years.



**OAKAJEE CORPORATION LIMITED**

ACN 123 084 453

**DIRECTORS' DECLARATION**

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

1. the financial statements and notes set out on pages 4 to 11 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 2013 and of its performance for the half-year then ended.
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.



Graham Anderson  
Chairman  
24 February 2014

## **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 2013, 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 2013 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 2013 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**

**Perth, Western Australia**  
**24 February 2014**

*Norman Neill*

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