ANNUAL REPORT 2021

IMPELUS LIMITED
ACN 089 805 416

Directors' Report

The directors of Impelus Limited (Company) and controlled entities ('Consolidated Group' or 'Group') present their report together with the financial statements of the Group, being the Company and its controlled entities, for the year ended 30 June 2021.

The names and particulars of the directors of the Company during or since the end of the financial year unless otherwise stated are:

Directors

Name	Particulars
Brendan Birthistle Independent chairman Non-executive director appointed 04 December 2018. Resigned 17 November 2021	Mr Birthistle has significant and substantial strategic and operational experience. Early in his career, he worked as a management consultant with WD Scott, and as a Corporate Planner for ICL Australia (International Computers) and Wormald International Limited. As a CEO of Raynors (a subsidiary of Adelaide Steamships), he and the enthusiastic management team successfully transformed what was a moribund company. Brendan operated his boutique financial planning organisation, Connaught Consultants, for over 30 years (1984 to 2015). To achieve a better deal for Australian shareholders, he served the Australian Shareholders' Association serving as Chairman for 3 years in the early Nineties. In 2003 he was elected as a Director of CCI a small struggling listed coal testing company and was partly instrumental in the turn-around of the Company and its eventual sale. Investors were rewarded with a four-fold increase in their original investment. For the past ten years, Brendan has concentrated on investing mainly in listed micro-cap companies. He presently owns shares in over 60 companies mainly technical and digital in nature. This experience has proved enjoyable, educational and highly profitable. He is also a director of 3 successful private companies and The Eolas Foundation a charitable trust. Brendan's educational qualifications include an MBA (University of California, Los Angeles, B.Sc. (Hons) from University College, Dublin, a BA (UNSW), and a Diploma of Jurisprudence (University of Sydney).
Interest in shares & options	270,093,204 ordinary shares and nil options as at date of resignation.
Special responsibilities	Mr. Birthistle was a member of the audit committee, the nomination and remuneration committee.
Directorships held in other listed entities during the three years prior to the current year	Nil.
David Andrew Haines Independent Non-executive director **Interim Chairman** from 9 November 2018 to 30 November 2018 Resigned 17 November 2021	A director of the Company since May 2001. Mr. Haines holds a Bachelor of Education degree and was Secretary to the Standing Committee of Commonwealth, State and Territory Ministers with Censorship Responsibilities (1988 to 1994), Deputy Chief Censor, Australian Film Censorship Board (1986 to 1994) and Member of the Australian Film Censorship Board (1981-1994).
Interest in shares & options	565,000 ordinary shares and nil options as at date of resignation.
Special responsibilities	Mr. Haines was chair of the audit committee and a member of the nomination and remuneration committee.
Directorships held in other listed entities during the three years prior to the current year	Nil.

Directors

Name	Particulars
Rob Skinner Non-executive Director appointed 7 August 2020 and resigned 22 March 2021	Mr. Skinner was appointed Non-Executive Director of the company on 7 August 2020. Robert is an experienced digital marketing industry professional, director, and ex-Trade Commissioner with over 19 years' global experience in digital, trade and enterprise. He worked for New Zealand Trade and Enterprise as Regional Investment Sector Manager (Asia) and Trade Commissioner (Singapore) leading New Zealand's government economic development agency based in Singapore with key areas of focus being ICT and creative/media industries.
Interest in shares & options	Nil.
Special responsibilities	Nil.
Directorships held in other listed entities during the three years prior to the current year	Nil.
Maureen Smith Executive Director appointed 28 January 2020 and resigned 7 August 2020	Ms Smith is a senior executive at IMS and currently holds the position of Head of Human Resources. Ms Smith's appointment was temporary as the Board of Directors considered potential candidates to replace the recently retired Executive director, Mr Craig Poole.
Interest in shares & options	400,000 ordinary shares and 400,000 options as at date of resignation.
Special responsibilities	Nil
Directorships held in other listed entities during the three years prior to the current year	Nil
Rodd Boland Non-Executive Chairman appointed 12 October 2021	Rodd is currently employed at KPMG Sydney, where he joined in 2014 as a specialist advisor, a role in which he sources family owned businesses in greater Sydney looking to partake in Mergers & Acquisition activities in the mid markets. Rodd has previously sat on 2 ASX boards prior to joining IMS and Rodd brings a wealth of experience with his knowledge of the equity & debt capital markets, compliance, finance & operations to the IMS Board. Rodd graduated from the University of NSW with a B.Com (Bachelor of Commerce) at UNSW in Sydney, before completing his MBA (Masters of Business Administration) at the University of Notre Dame in South Bend, Indiana, USA.
Interest in shares & options	9,900,000 ordinary shares and nil options.
Special responsibilities	Compliance & Audit Committees
Directorships held in other listed entities during the three years prior to the current year	Nil

Directors

Name	Particulars
Paris Magdalinos Non-Executive Director appointed 01 December 2021	Paris Magdalinos has spent the last 14 years in Capital Markets working as a Stockbroker for some of Australasia's most venerable broking institutions. In recent times Paris has directed his energies to raising capital for small cap Australian companies using his networks and reputation for integrity and innovation to create value for his clients.
Interest in shares & options	10,102,041 ordinary shares and nil options.
Special responsibilities	Compliance & Audit Committees New Business Opportunities
Directorships held in other listed entities during the three years prior to the current year	Nil
Steven Hadjifotis Non-Executive Director appointed 01 December 2021	Steven Hadjifotis brings over 15 years of experience in directing roles for private enterprise. Steven is a member of the AICD and brings valuable experience in operations and capital markets to the IMS team. Steven is currently the Non-Executive Chair for Cavendish Renewable Technology
Interest in shares & options	10,102,041 ordinary shares and nil options.
Special responsibilities	Compliance & Audit Committees
Directorships held in other listed entities during the three years prior to the current year	Nil

Company Secretary

Name	Particulars
Vanessa Chidrawi Company secretary **Appointed** 21 February 2019 **Resigned** 21 May 2021	Vanessa is a highly experienced Company Secretary and has previously worked in multiple Company Secretary roles both locally and internationally prior to joining Impelus and brings a significant degree of experience to this position. She holds a Bachelor of Law and a Bachelor of Commerce. Vanessa had 12 years private practice experience as a commercial lawyer, practicing on her own account in Johannesburg. Over the past 13 years, she has acted as General Counsel and Company Secretary for various ASX- and TSX-listed companies. Ms Chidrawi brings with her a wealth of experience in governance management, mergers and acquisitions, litigation management, board advisory and capital raising in the listed company space.
Interest in shares & options	Nil.
Brendan Birthistle Company secretary **Appointed** 21 May 2021 **Resigned** 17 November 2021	
Interest in shares & options	270,093,204 ordinary shares and nil options at date of resignation.
Madhukar Bhalla Company secretary **Appointed** 25 November 2021	Mr Bhalla is an experienced company secretary who has previously worked with multiple ASX-listed companies and is proficient in corporate governance, company administration, financial management, and corporate law. Mr Bhalla also has significant business and management experience having previous job titles including general manager and corporate administrator.
Interest in shares & options	Nil.

Review of Operations

On 9 March 2021, the group entered external administration resulting in a Deed of company arrangement (DOCA). The Group left external administration on 17 November 2021 and directors are assessing opportunities available to the group going forward.

Impelus Limited posted an EBITDA of ($0.48) million (FY2020 ($0.37) million), Revenue of $1.91 million (FY2020 $9.41 million) and a full-year profit after tax of $1.19 million compared to the prior year loss after tax of $6.65 million. The result for the year includes $7.27 million debt forgiveness from the execution of the DOCA.

Personnel Changes - Board

Ms Maureen Smith resigned as Executive Director on 7 August 2020. Mr Rob Skinner was appointed as Non-Executive Director on 7 August 2020 and resigned 22 March 2021.

On 21 May 2021, Ms Vanessa Chidrawi resigned as Company Secretary and Mr Brendan Birthistle was appointed as Company Secretary and resigned on 17 November 2021.

On 17 November 2021, Mr Brendan Birthistle and Mr David Haines resigned as directors of the Company.

On 25 November 2021, Mr Madhukar Bhalla was appointed as company secretary.

On 01 December 2021, Mr Paris Magdalinos and Mr Steven Hadjifotis were appointed as directors of the Company.

Mr Edward Day, Mr Keith Rhee and Mr Rodd Boland were appointed as directors of the Company on 12 Oct 2021 as announced on 16 December 2021. Mr Edward Day and Mr Keith Rhee resigned as directors of the Company on 30 November 2021.

Cash Flow

The Company's Cash at Bank was $205,263 at 30 June 2021, compared to $1,013,091 at 30 June 2020.

Capital Expenditure

Capital expenditure for the financial year ending 2021 was nil.

Financial Position

The net assets of the Consolidated Group have increased by $2.061m from ($2.06m) in FY 2020, to $0.001m in FY 2021. This was due to the debt forgiveness from the execution of the Deed of Company Arrangement.

Significant Changes in State of Affairs

On 9 March 2021, the Company appointed David Levi from Levi Consulting as the Administrator of Impelus Limited, Global One Mobile Entertainment Pty Ltd and Impelus APAC Pty Ltd. All Australian operations stopped since then.

On 31 March 2021, the Company sold its UK operation, Marketing Punch Limited, to Brendan Birthistle and Paul Kemshell.

On 06 May 2021, Impelus Limited has entered into a Deed of Company Arrangement.

After Balance Date Events

As announced to ASX on 8 September 2021, the Company’s ordinary shares and options were to be consolidated effective on 13 October 2021.

As announced to ASX on 13 October 2021, the results of the AGM show all resolutions have been passed on the meeting.

Resolutions voted on at the meeting					If decided by poll[5]					Proxies received[6]			
Resolution		Result[2]	Voting method[3]	If s250U applies[4]	Voted for		Voted against		Abstained	For	Against	Abstain	Discretion[9]
No[1]	Short description				Number	%[7]	Number	%[8]	Number	Number	Number	Number	Number
1	Consolidation of existing shares	Passed	Poll	N/A	273,824,204	98.14%	5,176,217	1.86%	5,500,000	272,439,204	5,176,217		
2	Allotment and issue of shares to Jackyboy Pty Ltd	Passed	Poll	N/A	272,824,204	98.14%	5,176,217	1.86%	6,500,000	272,439,204	5,176,217		
3	Allotment and Issue of Shares to Benelong Capital Partners Pty Ltd	Passed	Poll	N/A	273,824,204	98.14%	5,176,217	1.86%	5,500,000	272,439,204	5,176,217		
4	Election of Mr Rodd Boland as a Director	Passed	Poll	N/A	273,931,021	98.18%	5,069,400	1.81%	5,500,000	272,546,021	5,069,400		
5	Election of Mr Edward Day as a Director	Passed	Poll	N/A	273,931,021	98.18%	5,069,400	1.81%	5,500,000	272,546,021	5,069,400		
6	Election of Mr Keith Rhee as a Director	Passed	Poll	N/A	273,931,021	98.18%	5,069,400	1.81%	5,500,000	272,546,021	5,069,400		

As announced to ASX on 13 October 2021, Impelus Limited has transferred the responsibility for the maintenance of the Impelus Limited Share Register to Advanced Share Registry Limited.

As announced to ASX on 17 November 2021, Mr Brendan Birthistle and Mr David Haines have resigned as directors of the Company. The Deed of Company Arrangement has been wholly effectuated as at 17 November 2021. The control of the Company reverted to the current directors of the Company. Under the DOCA, borrowings of the group totaling $6,032,016 was eliminated and resulted in a debt forgiveness being recognised in the statement of profit or loss and other comprehensive income. In addition, Impelus Limited disposed of its holding in Marketing Punch Limited. As a result of the sale, intangible assets relating to marketing punch of $1,461,385 was impaired in full.

As announced to ASX on 25 November 2021, Mr Madhukar Bhalla was appointed as company secretary.

As announced to ASX on 1 December 2021, Mr Paris Magdalinos and Mr Steven Hadjifotis were appointed as directors of the Company.

Mr Edward Day, Mr Keith Rhee and Mr Rodd Boland were appointed as directors of the Company on 12 Oct 2021 as announced on 16 December 2021. Mr Edward Day and Mr Keith Rhee resigned as directors of the Company on 30 November 2021.

As announced to ASX on 27 January 2022, Impelus Limited is considering to acquire a new business that requires compliance with Chapter 1 and Chapter 2 of the ASX.

Environmental Issues

The consolidated entity's operations are not affected by any significant environmental regulation under the law of the Commonwealth or the State. To the extent that any environmental regulations may have an incidental impact on the Consolidated Group's operations, the directors of the Company and its controlled entities are not aware of any breach by the Company and its controlled entities of those regulations.

Dividends

There have been no dividends paid or declared since the beginning of the financial year, and the directors do not recommend the payment of a dividend in respect of the financial year ended 30 June 2021.

Share Based Payments

There have been no share-based payments in the financial year ending 30 June 2021.

Remuneration Report

The Remuneration Report forms part of the Directors' Report and outlines the remuneration arrangements for executives and employees of Impelus Limited, including key management personnel in accordance with relevant accounting standards and *Section 300A of the Corporations Act*.

The remuneration policy of Impelus Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering short term incentives and long-term incentives based on key performance areas affecting the Consolidated Group's financial results. The Board of Impelus Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Consolidated Group, as well as create goal congruence between directors, executives and shareholders.

Remuneration of directors and executives is reviewed by the Remuneration Committee in accordance with its Charter. The Remuneration Committee makes recommendations to the board on the following:

- Executive remuneration and incentive policies;
- Ensuring policy allows the Company to recruit and retain suitably qualified executives;
- Remuneration framework for directors;
- Aligning the interests of key employees to the long-term interests of shareholders; and
- Demonstrate a clear relationship between key executive performance and remuneration.

The performance of key management personnel is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the Consolidated Group's revenue, profits, shareholders' value as well as personal goals. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives.

Two methods have been applied to achieve this aim, the first being a performance-based STI bonus based on key performance indicators, and the second being the LTI issue of options to the majority of key management personnel to encourage the alignment of personal and shareholder interests. The Company believes this policy is effective in positioning itself for future growth.

The following table shows the revenue and earnings for the last five years for the listed entity, as well as the share prices at the end of the respective financial years.

	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021
Revenue $	52,555,202	25,510,096	12,074,388	9,410,601	1,916,569
EBITDA $	5,394,573	4,551,844	70,860	(365,803)	(484,411)
Net profit / (loss) after tax	1,595,677	(29,010,946)	(12,271,242)	(6,647,046)	1,185,332
Share price (cents)	5.05	1.7	0.7	0.5	0.6

The Group's performance over the last five years is set out in the table above.

Table of Employment Details of Members of Key Management Personnel

No STI bonuses were awarded to key management personnel for FY 2021

No Options were issued during FY 2021 to key management personnel or staff.

Name	**Felix Guocong Chen**
Position held 06 May 2020 25 Nov 2020 09 Mar 2021	 Acting Chief Finance Officer. CFO Terminated
Contract details	Appointment continued until date the employment is terminated pursuant to the terms of the agreement.
Notice period	1 month.
Total base salary	$125,000
Short term incentive	Nil
Other benefits	20 days' annual leave.
Termination by company	1 month's notice or payment in lieu.
Restraint	Nil
Interest in shares 30 June 2021	Nil
Long term incentive / options	300,000 employee options

Director and Executive Remuneration

The following table of benefits and payments detail, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Consolidated Group and, to the extent different, the one group executive and one company executive receiving the highest remuneration:

2021	Short-term Benefits			Post-employment Benefits	Termination Payment	Equity-Settle Share-based Payments		Total $
	Salary & Fees & Leave $	Bonus $	Non-Monetary $	Super-annuation $		Shares $	Options $	
Non-Exec Directors								
Brendan Birthistle	-	-	-	-	-	-	-	-
David Haines	34,000	-	-	5,360	-	-	-	39,360
Rodd Boland	-	-	-	-	-	-	-	-
Paris Magdalinos	-	-	-	-	-	-	-	-
Steven Hadjifotis	-	-	-	-	-	-	-	-
Executives								
Felix Chen (1)	87,500	-	-	8,312	-	-	-	95,812
	121,500	**-**	**-**	**13,672**	**-**	**-**	**-**	**135,172**

(1)Felix Chen was terminated on 9 March 2021.

2020	Short-term Benefits			Post-employment Benefits	Termination Payment	Equity-Settle Share-based Payments		Total $
	Salary & Fees & Leave $	Bonus $	Non-Monetary $	Super-annuation $		Shares $	Options $	
Non-Exec Directors								
Brendan Birthistle	-	-	-	-	-	-	-	-
David Haines	46,208	-	-	4,390	-	-	-	50,598
Executives								
Neil Wiles	126,665	-	8,989	8,594	-	-	-	144,248
Simon Allison	130,137	-	-	12,363	-	-	-	142,500
Felix Chen	18,333	-	-	1,742	-	-	-	20,075
Craig Poole	40,000	-	-	-	-	-	-	40,000
Maureen Smith	32,099	-	-	3,049	-	-	-	35,148
	393,442	**-**	**8,989**	**30,138**	**-**	**-**	**-**	**432,569**

Short Term Incentive Plan – Cash Bonuses

The Company has in place short term incentive plans. Key management are entitled to a short-term cash incentive based on performance criteria as determined by and at the discretion of the board. The metrics for the short-term incentive plans relate to EBITDA performance and personal goals.

The performance criteria must be met within the financial year for the bonus entitlement to be realised.

For FY 2021 there was no STI incentive plan.

Incentive Payment Determination

The short-term incentive plan for FY 2021 provides for the board to apply at its discretion an adjusted multiplier to the incentive base of each incentive plan participant, based on overall performance, of between 0 and 1.5.

For FY 2021 there was no STI incentive plan.

Bonuses for FY 2021

No STI bonuses were awarded for FY 2021.

Share Options

Long term incentive plan – share options.

No options were issued to staff during financial year ending 2021.

Share options granted to executives during the financial year.

There were no options granted to employees during the financial year.

Share options granted to other parties during the financial year.

There were no options granted to other parties during the financial year.

Share Options on Issue at Year End

Details of un-issued shares under option at the date of this report are:

Grant Date	Date of Expiry	Exercise Price (cents)	Number Under Option
29 November 2019	25 November 2021	3	1,500,000
31 December 2019	31 December 2021	3	2,250,000
			3,750,000

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity. There have been no unissued shares or interests in options of any controlled entity within the Group during or since the end of the reporting period. For details of options issued to directors and executives as remuneration, refer to the remuneration report. No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Meetings of Directors

During the financial year, 8 meetings of directors (plus committees of directors) were held. Attendances by each director during the year were as follows:

Directors	Directors' Meetings		Audit Committee	
	Eligible to attend	Attended	Eligible to attend	Attended
Brendan Birthistle	8	8	1	1
Rob Skinner	8	8	0	0
David Haines	8	8	1	1

Indemnification of Officers and Auditors

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company (as named in this report), the company secretary and all executive officers of the Company against a liability incurred as a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate of the Company against a liability incurred as such an officer or auditor.

Non-Audit Services

The Board of Directors is satisfied that the general standard of independence for auditors imposed by the *Corporations Act* has been met. No non-audit services were performed during the financial year to 30 June 2021.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 12 of this Report.

This report of directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

RA Boland

Rodd Boland
Non-executive Chairman

25 February 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF IMPELUS LIMITED AND CONTROLLED ENTITIES ABN: 24 089 805 416

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Impelus Limited.

As the lead auditor for the audit of the financial report of Impelus Limited for the year ended 30 June 2021, 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.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney
Dated this 25th of February 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2021

	Notes	Consolidated Group 2021 $	2020 $
Continuing Operations			
Revenue from Continuing Operations rendered	4	1,916,569	9,410,601
Cost of sales		(1,322,322)	(5,720,654)
		594,247	**3,689,947**
Interest income	4	728	5,903
Debt Forgiveness	4	7,265,848	-
Service providers and commissions		-	(45,394)
Administration expenses		-	(13,246)
Finance costs	5	(275,218)	(548,511)
Depreciation and amortisation expense		(1,615,827)	(4,784,792)
Impairment of intangible assets		-	(719,695)
Impairment of Fixed Assets		(131,079)	-
Impairment for Debtors		-	(522,950)
Employee benefits expense	5	(675,626)	(2,701,283)
Legal expenses	5	(15,626)	(143,074)
Amount paid/payable for settlement of legal action		-	(90,909)
Occupancy expenses	5	(3,859)	(83,848)
Operational expenses		(93,187)	(526,360)
Other expenses from ordinary activities		(290,360)	(451,636)
Profit/(Loss) before income tax		4,760,041	**(6,935,848)**
Income Tax benefit	6	157,246	415,769
Net Profit/(Loss) for the year		4,917,287	**(6,520,079)**
Discontinued Operations			
Net (Loss) from Discontinued Operations after tax	3	(3,731,955)	-
Net Profit/(Loss) for the year		1,185,332	**(6,520,079)**
Other Comprehensive Income			
Exchange differences on translating foreign operations		-	(126,967)
		-	(126,967)
Total Comprehensive Profit/(Loss) for the year		**1,185,332**	**(6,647,046)**
Basic Profit/(Loss) per share (cents per share)	9	0.15	(0.92)
Diluted Profit/(Loss) per share (cents per share)	9	0.15	(0.91)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position
As at 30 June 2021

	Notes	Consolidated Group 2021 $	Consolidated Group 2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	205,263	1,013,091
Trade and other receivables	11	-	1,361,742
Other assets	12	-	727,407
TOTAL CURRENT ASSETS		**205,263**	**3,102,240**
NON-CURRENT ASSETS			
Plant and equipment	17	-	243,893
Intangible assets	15	-	3,378,900
Right-of-use Assets	16	-	61,773
Other non-current assets	12	6,300	6,300
TOTAL NON-CURRENT ASSETS		**6,300**	**3,690,866**
TOTAL ASSETS		**211,563**	**6,793,106**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	18	113,733	1,792,400
Borrowings	19	-	684,569
Short-term provisions	21	95,972	582,528
Lease Liability	21	-	82,461
TOTAL CURRENT LIABILITIES		**209,705**	**3,141,958**
NON-CURRENT LIABILITIES			
Borrowings	19	-	5,525,000
Deferred tax liabilities	20	-	185,427
Sundry Creditor		-	201
TOTAL NON-CURRENT LIABILITIES		**-**	**5,710,628**
TOTAL LIABILITIES		**209,705**	**8,852,586**
NET ASSETS/(LIABILITIES)		**1,858**	**(2,059,480)**
EQUITY			
Issued capital	22	50,896,338	50,896,338
Reserves	23	38,887	38,887
(Accumulated Losses)		(50,933,367)	(52,118,699)
Foreign currency translation reserve		-	(876,006)
TOTAL EQUITY / (NET DEFICIENCY)		**1,858**	**(2,059,480)**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2021

	Note	Consolidated Group 2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3,509,603	9,728,588
COVID-19 Stimulus Support		-	137,541
Payments to suppliers and employees		(4,011,097)	(9,356,219)
Interest Received		728	5,903
Interest Paid		(121,054)	(315,436)
Income tax Refund		-	225,643
Net cash (used in)/provided by operating activities	25	**(621,820)**	**426,020**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	(41,505)
Costs of developing software and performance marketing platforms		-	(957,358)
Net cash (used in) investing activities		**-**	**(998,863)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan Repayment		(186,008)	(285,854)
Proceeds from borrowings		-	1,150,000
Issue of capital		-	-
Costs of issue of capital		-	-
Lease Repayment		-	(484,913)
Net cash (used in)/provided by financing activities		**(186,008)**	**379,233**
Net (decrease) in cash held		**(807,828)**	**(193,610)**
Cash at beginning of financial year		1,013,091	1,206,701
Cash at end of financial year	10	**205,263**	**1,013,091**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2021

	Issued Capital	Accumulated Losses	Reserves	Foreign Currency Reserve	Total Equity
	$	$	$	$	$
Balance as at 1 July 2019	**50,227,338**	**(45,471,653)**	**38,887**	**(789,320)**	**4,005,252**
Issued Capital	669,000	-	-	-	669,000
Loss for the year	-	(6,647,046)	-	-	(6,647,046)
Foreign exchange (loss) from OCI	-	-	-	(86,686)	(86,686)
Balance as at 30 June 2020	**50,896,338**	**(52,118,699)**	**38,887**	**(876,006)**	**(2,059,480)**

Balance as at 1 July 2020	**50,896,338**	**(52,118,699)**	**38,887**	**(876,006)**	**(2,059,480)**
Issued Capital	-	-	-	-	-
Profit for the year	-	1,185,332	-	-	1,185,332
Foreign exchange gain/(loss) write off	-	-	-	876,006	876,006
Balance as at 30 June 2021	**50,896,338**	**(50,933,367)**	**38,887**	**-**	**1,858**

The accompanying notes form part of these financial statements.

Note 1. Significant Accounting Policies

These consolidated financial statements and notes represent those of Impelus Limited (Company) and controlled entities ('Consolidated Group' or 'Group'). The separate financial statements of the parent entity, Impelus Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 25 February 2022 by the directors of the Company.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by International Accounting Standards Board (**IASB**).

Except for cash flow information the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Fair Value which is level 3 "unobservable inputs" is determined primarily from inputs reflective of management expectations.

The following is a summary of the material accounting policies adopted in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

A. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Impelus Limited at the end of the reporting period. A controlled entity is any entity over which Impelus Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 12 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Consolidated Group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated Statement of Financial Position and Statement of Profit or Loss and other comprehensive income. The minority interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

Note 1. Significant Accounting Policies (continued)

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

i. the consideration transferred;

ii. any non-controlling interest; and

iii. the acquisition date fair value of any previously held equity interest over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of profit or loss. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

Note 1. Significant Accounting Policies (continued)

B. Income Tax

The income tax expense/(revenue) for the year comprises current income tax expense/(income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Impelus Limited and its wholly-owned Australian controlled entities implemented the tax consolidation legislation.

The head entity, Impelus Limited and the controlled entities in the tax Consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the Group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax Consolidated Group.

In addition to its own current and deferred tax amounts, Impelus Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax Consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Note 1. Significant Accounting Policies (continued)

C. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either through profit or loss or as a revaluation decrease if the impairment losses relate to a re-valued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1.F for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the consolidated Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Leasehold improvements	20%
Furniture and fittings	20%
Computer equipment	33%
Internet / website	33% - 67%
Software developed	33%
Software acquired through acquisitions	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Note 1. Significant Accounting Policies (continued)

D. Leases

The Group has adopted AASB 16 and the date of initial application of AASB 16 for the Group was 1 July 2018.

Except for short term leases and leases of low value assets, the Group applies a single recognition and measurement approach for all leases representing the right to use the underlying asset Right-of-Use recognised at the commencement date of the lease and corresponding lease liabilities measured at the present value of lease payments over the lease term are recognised in the statement of financial position. Depreciation charges of Right-of-Use assets, and interest expenses on the lease liability replaces straight line operating expenses.

E. Financial Instruments

i. Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

ii. Classification and Subsequent Measurement

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are substantially measured at amortised cost using the effective interest rate method.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after reporting date (all other loans and receivables are classified as non-current assets).

iii. Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a “loss event”) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

iv. De-recognition

Financial assets are de-recognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Note 1. Significant Accounting Policies (continued)

F. Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a re-valued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a re-valued asset is treated as a revaluation decrease in accordance with that other Standard. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

G. Intangible Assets Other Than Goodwill

Research and Development

Expenditure during the research phase of a project is recognised as an expense when incurred. Software and product development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

H. Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the statement of profit and loss.

Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at the end of that reporting period;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss in the period in which the operation is disposed.

Note 1. Significant Accounting Policies (continued)

I. Provisions

Provisions are recognised when the Group has legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

J. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled Compensation

The Group operates an employee share ownership plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

K. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

L. Revenue

In accordance with AASB 15 Revenue from Contract with Customers, revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from rendering services is recognised at a point in time in the period in which the service is rendered. Interest revenue is recognised using the effective interest rate method.

All revenue is stated net of the amount of Goods and Services Tax (**GST**).

M. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the period in which they are incurred.

Note 1. Significant Accounting Policies (continued)

N. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (**ATO**).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

O. New and Amended accounting policies adopted by the Group and New Accounting Standards for application in future periods

There are no standards that are yet effective and that would be expected to have material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

P. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group has retrospectively applied an accounting policy or makes a retrospective restatement of items in the financial statements, or when it reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Q. Critical Accounting Estimates and Judgment

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenditures is provided below. Actual results may be substantially different.

Key Estimates – Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using the value-in-use calculations which incorporate various key assumptions.

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Due to COVID-19 impact, management has adjusted the assumptions for future operating results to reflect the revenue decline and recovery period.

Note 1. Significant Accounting Policies (continued)

Q. Critical Accounting Estimates and Judgment (continued)

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Utilisation of Tax Losses

The Group and its wholly-owned Australian subsidiaries elected to join as members of a tax Consolidated Group under Australian taxation law as of 1 July 2012. Each entity in the tax Consolidated Group contributed tax losses to the Group. The Group has no tax losses to currently utilise.

R. Going Concern

The financial report has been prepared on the basis of a going concern. The basis presumes that funds will be available to finance future operations and the realization of assets and settlements of liabilities will occur in the normal course of business.

As at 30 June 2021, the Group had net current liabilities of $4,442 (Jun 2020: $39,718). During the year the group cash at bank reduced by $807,828 (Jun 2020 reduced by $193,610).

The depreciation & amortisation expenses are $1,615,827 (Jun 2020: $4,784,792).

A non-operating loss (Impairment charges) $131,079 (Jun 2020: $1,242,645) has been recorded.

A loss from discontinued operations after tax of $3,731,955 has been recorded as a result of the disposal of Marketing Punch Limited.

The Group has entered into voluntary administration from 9 March 2021, which resulted in a Deed of Company Arrangement (DOCA). Under the DOCA, $7,265,848 was eliminated and resulted in a debt forgiveness being recognised in the statement of profit or loss and other comprehensive income. In addition, Impelus Limited disposed of its holding in Marketing Punch Limited. As a result of the sale, intangible assets relating to marketing punch of $1,461,385 were impaired in full.

Since leaving voluntary administration the directors are reviewing operations and developing a plan for the business going forward.

Note 2. Parent Information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

	2021 $	2020 $
Statement of Financial Position		
Assets		
Current assets	238,918	-
Total current assets	238,918	-
Non-current assets	-	3,460,347
Total non-current assets	-	3,460,347
Total assets	238,918	3,460,347
Liabilities		
Current liabilities	6,980	-
Total current liabilities	6,980	-
Non-current liabilities	-	-
Total non-current liabilities	-	-
Total liabilities	6,980	-
Net Assets	231,938	3,460,347
Equity		
Issued capital	50,896,338	50,896,338
Accumulated losses	(50,703,287)	(46,971,028)
Reserve	38,887	38,887
Total Equity	231,938	3,964,197
Foreign currency translation reserve	-	(503,850)
Total comprehensive income	-	3,460,347

Guarantees
Impelus Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contractual Commitments

At 30 June 2021, Impelus Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment.

Note 3. Discontinued Operations

As announced to ASX on 12 April 2021, Impelus Limited sold its shareholding in Marketing Punch Limited. As a result of the sales, intangible assets relating to Marketing Punch Limited were impaired in full.

The following information is a summary Profit & Loss statement from Discontinued Operations.

	2021
Discontinued Operations:	
	$
Revenue	2,184,550
Debt Forgiveness	689,096
Cost of sales	(1,437,643)
	1,436,003
Depreciation and amortisation expense	(253,841)
Impairment of intangible assets	(1,461,385)
Disposal of Subsidiary	(2,988,107)
Employee benefits expense	(602,486)
Legal expenses	(19,782)
Occupancy expenses	(48,151)
Operational expenses	(103,831)
Other expenses from ordinary activities	(106,636)
Profit / (loss) before income tax	(4,148,216)
Income tax (expense) / benefit	-
Net (Loss) from Discontinued Operations after tax	(4,148,216)
Other Comprehensive Income	
Exchange differences on translating foreign operations	416,261
Total Comprehensive (Loss) from Discontinued Operations after tax	**(3,731,955)**

Note 4. Revenue and Other Income

	Consolidated Group	
	2021	2020
	$	$
Revenue from continuing operations		
Sales revenue:		
Revenue from services rendered	1,916,569	9,410,601
Interest received:		
Other persons	728	5,903
Debt Forgiveness:		
Borrowing*	5,832,016	-
Trade Creditors	815,226	-
Employee related Liabilities	618,606	-
Total Debt Forgiveness	7,265,848	-
Total Revenue	9,183,145	**9,416,504**

*$200,000 of borrowing was repaid in the disposal of Marking Punch Limited

Note 5. Profit/(Loss) for the Year

	Consolidated Group	
	2021	2020
	$	$
A. Expenses		
Borrowing expenses:		
Interest expense	275,218	548,511
Total borrowing expense	**275,218**	**548,511**
Legal expenses:		
Legal fees	15,626	143,074
Total legal expenses	**15,626**	**143,074**
Amortisation and impairment of intangible assets:		
Software and website development	1,473,956	4,253,637
Impairment of intangible assets	-	719,695
Total amortisation and impairment	**1,473,956**	**4,973,332**
Depreciation of non-current assets:		
Computer equipment	600	14,621
Furniture and fixtures	36,898	62,641
Leasehold improvements	104,373	181,637
Right-of-use Asset	-	272,257
Total depreciation	**141,871**	**531,156**
Rental expense:		
Rental expense on operating leases	3,859	83,848
Total rental expense	**3,859**	**83,848**
Capitalised employee salaries:		
Capitalised international development	-	638,970
Capitalised Performance marketing platform development	-	318,387
Total capitalised employee salaries	**-**	**957,357**
Employee benefits expense:		
Employee benefits expense from Continuing Operations	675,626	2,563,742
Government Subsidies	-	137,541
Employee benefits expense from Discontinuing Operations	-	-
Total employee benefits expense	**675,626**	**2,701,283**

Note 6. Income Tax Expense

	Consolidated Group	
	2021	2020
	$	$
a. The components of income tax expense / (credit) comprise:		
Current Tax	-	21,254
Deferred Tax	-	-
Under / (Over) provision of tax from prior years	(157,246)	(437,023)
	(157,246)	**(415,769)**
b. The prima facie tax on profit / (loss) from ordinary activities before income tax is reconciled to the income tax expense / (benefit) as follows:		
Prima facie tax on Profit / (Loss) before income tax at 26%	**1,237,611**	**(1,973,611)**
Tax effect of:		
Difference in tax rate	-	(9,508)
Other non-deductible items	800,075	1,245,000
Other deductible items	-	(585,442)
Other non-allowable items	-	63,353
Tax Losses not available for utilisation	-	1,281,462
Carried forward tax losses utilised	(2,037,686)	-
Movements in Deferred Taxes	-	-
R&D Concession Refund	(157,246)	(437,023)
Under / (Over) provision of tax from prior years	-	-
Income tax attributable to entity	**(157,246)**	**(415,769)**

Note 7. Interests of Key Management Personnel (KMP)

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2021.

The totals of remuneration paid to KMP of the Company and the Group during the year are as follows:

Short-term employee benefits	121,500	402,431
Post-employment benefits	13,672	30,138
	135,172	**432,569**

Note 7. Interests of Key Management Personnel (KMP) (continued)

KMP Options Holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

KMP Shareholdings

30 June 2021	Balance at Beginning of Year	Granted as Remuneration During the Year	Other Changes During the Year	Balance at End of Year	Vested During the Year	Vested and Exercisable
Brenden Birthistle	-	-	-	-	-	-
David Haines	-	-	-	-	-	-
Maureen Smith	400,000	-	-	400,000	-	-
Felix Chen	300,000	-	-	300,000	-	-
	700,000	**-**	**-**	**700,000**	**-**	**-**
30 June 2020						
Brenden Birthistle	-	-	-	-	-	-
David Haines	-	-	-	-	-	-
Maureen Smith	-	400,000	-	400,000	-	-
Felix Chen	-	300,000	-	300,000	-	-
	-	**700,000**	**-**	**700,000**	**-**	**-**

The number of ordinary shares held in Impelus Limited by each key management personnel of the Group during the financial year is as follows:

30 June 2021	Balance at Beginning of the Year	Granted as Remuneration During the Year	Other Changes During the Year	Balance at End of Year
David Haines[(1)]	565,000	-	(565,000)	-
Brendan Birthistle[(2)]	270,093,204	-	(270,093,204)	-
Felix Chen	-	-	-	-
	270,658,204	-	(270,658,204)	-
30 June 2020				
David Haines	565,000	-	-	565,000
Brendan Birthistle	158,963,636	-	111,129,568	270,093,204
Neil Wiles	21,283,000	-	(21,283,000)	-
Simon Allison	1,500,000	-	(1,500,000)	-
Maureen Smith	400,000	-	-	400,000
Felix Chen	-	-	-	-
	182,711,636	**-**	**88,346,568**	**271,058,204**

(1) Mr David Haines resigned as a director on 17 November 2021.
The change of shareholdings was to reflect his resignation. His shareholdings remained 565,000 as at 30 June 2021.
(2) Mr Brendan Birthistle resigned as a director on 17 November 2021.
The change of shareholdings was to reflect his resignation. His shareholdings remained 270,093,204 as at 30 June 2021.

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer to Note 30: Related Party Transactions.

Note 8. Auditors' Remuneration

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, it's related practices and non-related audit firms:

	Consolidated Group	
	2021	2020
	$	$
Audit Services		
Auditor's Remuneration, auditing or reviewing the financial reports:		
Group Auditors	43,750	75,064
Other non-related Auditors	-	2,719
	43,750	77,783

Note 9. Earnings Per Share

		2021	2020
A.	Reconciliation of earnings to profit or loss:		
	(Loss) / Profit	1,185,332	(6,647,046)
	(Loss) / Profit attributable to non-controlling equity interest		
	Earnings used to calculate basic EPS	1,185,332	(6,647,046)
	Earnings used in the calculation of dilutive EPS	1,185,332	(6,647,046)
B.	Reconciliation of earnings to profit or loss from continuing operations:		
	Profit from continuing operations	1,185,332	(6,647,046)
	Profit attributable to non-controlling equity interest in respect of continuing operations		
	Earnings used to calculate basic EPS from continuing operations	1,185,332	(6,647,046)
	Earnings used in the calculation of dilutive EPS from continuing operations	1,185,332	(6,647,046)
		No.	No.
C.	Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	803,346,086	723,750,348
	Weighted average number of dilutive options outstanding	6,183,814	4,133,731
	Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	809,529,900	727,884,079

Note 10. Cash and Cash Equivalents

	Consolidated Group	
	2021	2020
	$	$
Cash at bank and in hand	205,263	723,530
Deposits at call	-	289,561
	205,263	1,013,091

The effective interest rate on at call bank deposits was nil (2020: 0.32%).

Note 11. Trade and Other Receivables

	Consolidated Group	
	2021	2020
	$	$
Current		
Trade receivables	-	806,619
Provision for doubtful debts	-	(35,469)
	-	771,150
Other receivables	-	590,592
Trade and other receivables	-	1,361,742

Credit Risk — Trade and Other Receivables

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned in Note 10. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group.

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon.

Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Note 11. Trade and Other Receivables (continued)

Consolidated Group	Gross Amount $	Past Due and Impaired $	Past Due but not Impaired				Within Initial Trade Terms $
			<30 days $	31–60 days $	61–90 days $	>90 days $	
2021							
Trade & term receivables	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
2020							
Trade & term receivables	771,150	(35,469)	185,865	60,162	66,852	80,548	413,192
Other receivables	590,592	-	177,652	-	-	412,940	-
	1,361,742	**(35,469)**	**363,517**	**60,162**	**66,852**	**493,488**	**413,192**

The Group nor the parent entity does not hold any financial assets with terms that have been negotiated which would otherwise be past due or impaired.

Note 12. Other Assets

	Consolidated Group 2021 $	Consolidated Group 2020 $
A. Current		
Prepayments	-	727,407
B. Non-Current		
Formation costs	6,300	6,300

Note 13. Controlled Entities

Controlled Entities Consolidated

Name of Entity	Country of Incorporation	Ownership Interest 2021 %	2020 %
Parent Entity:			
Impelus Limited	Australia		
Subsidiaries of Impelus Limited:			
Global One Mobile Entertainment Pty Ltd	Australia	**100**	100
Divolution Limited (Deregistered)	Australia	-	100
1st Screen Pty Limited (Deregistered)	Australia	-	100
6G Pty Ltd (Deregistered)	Australia	-	100
Lead proof Pty Ltd (formerly 7A Pty Ltd) (Deregistered)	Australia	-	100
8Z Pty Ltd (Deregistered)	Australia	-	100
Convey Pty Ltd (formerly Level 3 Pty Ltd) (Deregistered)	Australia	-	100
Mobipay Pty Ltd (formerly Convey Pty Ltd)(Deregistered)	Australia	-	100
Convey Global Pte Ltd (Deregistered)	Singapore	-	100
The Performance Factory Pty Ltd (Deregistered)	Australia	-	100
C2B Solutions Pty Ltd (Deregistered)	Australia	-	100
Impelus EMEA Limited (formerly Eggmobi UK Limited) (Deregistered)	UK	-	100
ADDGLU Pty Ltd (formerly Vizmond Pty Ltd) (Deregistered)	Australia	-	100
Vizmond Media Pty Ltd (Deregistered)	Australia	-	100
Marketing Punch Limited (Sold)	UK	-	100
Impelus APAC Pty Ltd (formerly Marketing Punch Pty Ltd)	Australia	**100**	100

Note 14. Affects of Pandemic (COVID-19) in the financial report

Since late March 2020 the global economy has been hit heavily by COVID-19. The Digital Marketing sector has been negatively impacted and Impelus has likewise been severely affected.

The Group entered voluntary administration in March 2021 which resulted in a Deed of Company Arrangement (DOCA).

Note 15. Intangible Assets

	Consolidated Group	
	2021	2020
	$	$
Continued Operations		
Software development	9,396,607	12,888,032
Accumulated amortisation	(8,979,288)	(11,421,735)
Provision for Impairment	(417,319)	(186,727)
Net carrying value	**-**	**1,279,570**
Content and web development costs	74,649	74,649
Accumulated amortisation	(74,649)	(74,649)
Net carrying value	**-**	**-**
Discontinued Operations		
Software systems	11,911,040	8,973,654
Accumulated amortisation	(9,059,686)	(5,827,352)
Provision for Impairment	(1,046,972)	(1,046,972)
Disposal	(1,461,385)	-
Proceeds from Sales of Assets*	(200,000)	-
Foreign Exchange Difference	(142,997)	-
Net carrying value	**-**	**2,099,330**
Total Intangibles	**-**	**3,378,900**

*Proceeds from Sales of Assets was $200,000 from the buyer of Marketing Punch Limited which was paid to CBA as the secured creditor to remove the security on Marketing Punch Limited.

Movements in Carrying Amounts

Movement in the carrying amount for each class of intangible assets between the beginning and the end of the current year.

Consolidated Group:	Software and Development	Total
	$	$
Year ended 30 June 2020		
Balance at the beginning of the year	6,670,800	6,670,800
Additions: external acquired		
Software	-	-
Additions: internally developed		
Software	801,662	801,662
Disposals	-	-
FX Difference	160,074	160,074
Amortisation / impairment	(4,253,636)	(4,253,636)
	3,378,900	**3,378,900**
Year ended 30 June 2021		
Balance at the beginning of the year	3,378,900	3,378,900
Additions: external acquired		
Software	-	-
Additions: internally developed		
Software	179,635	179,635
Disposals	(2,217,552)	(2,217,552)
FX Difference	181,129	181,129
Amortisation / impairment	(1,522,112)	(1,522,112)
	-	-

Note 15. Intangible Assets (Continued)
Impairment Testing for Intangible Assets

The recoverable amounts of the cash generating units were determined based on the value-in-use calculations covering a detailed five-year forecast, followed by an extrapolation of expected cash flows for the units remaining useful lives using the growth rates determined by management. The present value of the expected cash flows for this segment is determined by applying a suitable discount rate.

Management has determined the recoverable value of the intangible assets is nil as at 30 June 2021. Impairment has been recognised to write off the value of the intangible assets.

Note 16. Right-of-use Assets

Below table shows the depreciation schedule for Right-of-use asset, which is recognized by adopting AASB 16. The value of the asset is assessed based on lease commitment for FY20 to FY21 and an incremental borrowing rate of 6%.

The lease agreement was finished in November 2020 and all Right-of-use asset was fully depreciated.

Year	Beginning Balance $	Depreciation Charge $	Abatement Adjustment $	Ending Balance $
FY 2020	$385,697	($272,257)	($51,667)	$61,773
FY 2021	$61,773	($61,773)	-	-

Note 17. Plant and Equipment

	Consolidated Group 2021 $	2020 $
Continued Operations		
Computer equipment		
At cost	719,359	719,359
Accumulated depreciation	(718,478)	(712,800)
Disposal	(881)	-
	-	**6,559**
Furniture and fittings		
At cost	341,404	341,404
Accumulated depreciation	(322,588)	(285,690)
Disposal	(18,816)	-
	-	**55,714**
Leasehold improvements		
At cost	1,044,500	1,044,500
Accumulated depreciation	(974,022)	(869,649)
Disposal	(70,478)	-
	-	**174,851**
Discontinued Operations		
Plant and Equipment		
At cost	305,757	303,118
Accumulated depreciation	(296,562)	(296,349)
Disposal	(9,195)	-
	-	6,769
Total plant and equipment	-	**243,893**

Note 17. Plant and Equipment (Continued)

Movements in Carrying Amounts

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

Consolidated Group:	Computer Equipment $	Furniture and Fittings $	Leasehold Improvements $	Other $	Total $
Balance at 1 July 2019	23,330	117,850	358,412	103	499,695
Additions	797	-	-	-	797
Disposals	-	-	-	(103)	(103)
Depreciation expense	(14,621)	(62,641)	(181,637)	-	(258,899)
Foreign exchange difference	1,161	4	1,238	-	2,403
Balance at 30 June 2020	**10,667**	**55,213**	**178,013**	**-**	**243,893**
Balance at 1 July 2020	10,667	55,213	178,013	-	243,893
Additions	2,639	-	-	-	2,639
Disposals	(7,628)	(18,315)	(70,971)	-	(96,914)
Depreciation expense	(5,678)	(36,898)	(107,042)	-	(149,618)
Closing value at 30 June 2021	**-**	**-**	**-**	**-**	**-**

Note 18. Trade and Other Payables

	Consolidated 2021 $	Consolidated 2020 $
Current		
Trade Payables	61,900	1,125,078
Sundry payables and accrued expenses	51,833	667,322
	113,733	**1,792,400**

Note 19. Borrowings

	2021	2020
Current		
Bank Loan - Secured (1)	-	334,569
Bank Facility – Secured (1)	-	350,000
	-	**684,569**
Non-current		
Bank Loan - Secured (1)	-	-
Bank Facility - Secured (1)	-	3,875,000
Director's Loan (2)	-	1,650,000
	-	**5,525,000**

(1) The Group's external loan was eliminated with the execution of Deed of Company Arrangement.
(2) Director's Loan was eliminated with the execution of DOCA.

Note 20. Deferred Tax

Consolidated Group:	Opening Balance 1 July 2020	Charged to Income	Charged to Equity	Prior Year Adjustment	Closing Balance 30 June 2021
Deferred Tax					
Accrued Expenses	-	-	-	-	-
Fixed Assets	(1,282,848)	1,282,848	-	-	-
Provisions	346,323	(346,323)	-	-	-
Share issue costs	-	-	-	-	-
Losses	751,098	(751,098)	-	-	-
	(185,427)	**185,427**	-	-	-

Deferred Tax Assets not brought to account include the following:

Capital losses:	-	-

Note 21. Provisions

Short term employee benefits:

	Consolidated	
	2021	2020
	$	$
Opening balance at beginning of financial year	475,161	426,356
Additional provisions	63,618	140,860
Amounts used	(13,624)	(92,055)
Write-off under DOCA	(438,577)	-
Balance at end of financial year	**86,578**	**475,161**

Short term Provisions:

Analysis of total provisions		
Current		
Provision for employee benefits	86,578	475,161
Provision for bonus	-	-
Employment related ATO provision	(606)	55,180
Income Tax Payable	-	52,187
Benelong Deposit	10,000	-
Total	**95,972**	**582,528**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

Lease Liability		
Lease Liability - Office	**-**	**82,461**

Note 22. Issued Capital

Ordinary shares		
803,346,086 (2020: 803,346,086) fully paid ordinary shares	50,896,338	50,896,338

	No.	No.
A. Ordinary shares		
At the beginning of the reporting period	803,346,086	692,216,518
Shares issued during the year	-	111,129,568
At reporting date	**803,346,086**	**803,346,086**

Options issued: During the financial year ending 30 June 2021: nil options were exercised at various exercise prices.

Note 22. Issued Capital (continued)

A. Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

B. Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital includes ordinary share capital, and financial liabilities, supported by financial assets.

C. Options

For information relating to the Impelus Limited employee option plan including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 26.

For information relating to share options issued to Key Management personnel during the financial year, refer to Note 7: Interests of Key Management Personnel (**KMP**).

Note 23. Reserves

	Consolidated Group	
	2021	**2020**
	$	**$**
Other equity settled benefits		
Opening balance	38,887	38,887
Granted / exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	38,887	38,887
At reporting date	38,887	38,887

Note 24. Operating Segments

A. Identification of Reportable Segments

The Group has 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 Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- The products sold and / or services provided by segment;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Note 24. Operating Segments (Continued)

B. Types of Products and Services by Segment

i. **Performance Marketing**
The Company through its DPM customer generation platforms and other infrastructure, enables businesses to acquire customers at scale. The Company utilises its proprietary and integrated partner technology, tools and data assets from its offices in the UK and Australia to seamlessly connect and engage consumers with products they value, enabling better customer generation for businesses via digital channels and devices.

ii. **Direct Carrier Billing**
The Company enables itself and its partners integrated customer acquisition, management and carrier billing via mobile devices. Consumers seamlessly engage with digital product and service offers and utilise carrier billing to conveniently pay for them on their mobile devices. This service has been ceased in FY 2020.

C. Basis of Accounting for Purposes of Reporting by Operating Segments

i. **Accounting Policies Adopted**
Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statement of the Group.

ii. **Intersegment Transactions**
An internally determined transfer price is set for all intersegment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is the representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Intersegment loans payable and receivable are initially recognised at the consideration received / to be received net of transaction costs. If intersegment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

iii. **Segment Assets**
Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

iv. **Segment Liabilities**
Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

v. **Unallocated Items**
The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- current tax liabilities;
- other financial liabilities; and
- intangible assets.

Note 24. Operating Segments (continued)

D. Segment Performance

30 June 2021	Direct Carrier Billing*	Performance Marketing	Total
	$	$	$
REVENUE			
External sales	-	1,916,569	1,916,569
Interest revenue	-	728	728
Total segment revenue	**-**	**1,917,297**	**1,917,297**
Segment gross profit	**-**	**594,975**	**594,975**
Segment net profit / (loss) before tax	**-**	**(81,963)**	**(81,963)**
Reconciliation of segment result to group net profit / loss before tax			
Amounts not included in segment results but reviewed by the Board:			
Depreciation and amortisation and impairment			(1,746,906)
Unallocated items:			
Debt Forgiveness			7,265,848
Corporate charges			(676,938)
Net profit before tax			**4,760,041**

*Direct Carrier Billing was ceased operating before FY 2021. No activities recorded in FY 2021.

30 June 2020	Direct Carrier Billing	Performance Marketing	Total
	$	$	$
REVENUE			
External sales	344,324	9,066,277	9,410,601
Interest revenue	4,600	1,303	5,903
Total segment revenue	**348,924**	**9,067,580**	**9,416,504**
Segment gross profit	**292,589**	**3,403,261**	**3,695,850**
Segment net profit / (loss) before tax	**(233,407)**	**494,176**	**260,769**
Reconciliation of segment result to group net profit / loss before tax			
Amounts not included in segment results but reviewed by the Board:			
Depreciation and amortisation and impairment			(5,964,615)
Unallocated items:			
Corporate charges			(1,232,002)
Net profit / (loss) before tax			**(6,935,848)**

Note 24. Operating Segments (continued)

E. Segment Asset

30 June 2021	Direct Carrier Billing $	Performance Marketing $	Total $
Segment assets	-	-	-
Unallocated assets:			
Cash at bank	-	205,263	205,263
Term deposit	-	-	-
Deferred tax assets	-	-	-
Other	-	6,300	6,300
Total Group Assets	-	211,563	211,563
30 June 2020			
Segment assets	914,916	4,858,799	5,773,715
Unallocated assets:			
Cash at bank	-	-	723,530
Term deposit	-	-	289,561
Deferred tax assets	-	-	-
Other	-	-	6,300
Total Group Assets	**914,916**	**4,858,799**	**6,793,106**

F. Segment Liabilities

30 June 2021	Direct Carrier Billing $	Performance Marketing $	Total $
Segment liabilities	-	209,705	209,705
Unallocated liabilities:			
Income tax payable	-	-	-
Short term provisions	-	-	-
Borrowings	-	-	-
Deferred Tax Liability	-	-	-
Total Group Liabilities	**-**	**209,705**	**209,705**
30 June 2020			
Segment liabilities	645,176	1,199,612	1,844,788
Unallocated liabilities:			
Income tax payable	-	-	-
Short term provisions	-	-	612,802
Borrowings	-	-	6,209,569
Deferred Tax Liability	-	-	185,427
Total Group Liabilities	**645,176**	**1,199,612**	**8,852,586**

Note 24. Operating Segments (continued)

G. Revenue by Geographical Region

Revenue attributable to external customers is disclosed below, based on the location of the external customer	Consolidated Group 30 June 2021 $	30 June 2020 $
Australia	1,916,569	3,871,185
Bahrain DC Billing	-	(65)
Norway DC Billing	-	-
Singapore DC Billing	-	30,188
Switzerland DC Billing	-	90,449
United Arab Emirates DC Billing	-	-
United Kingdom DC Billing	-	223,752
United Kingdom Performance Marketing	-	5,195,092
Total revenue	**1,916,569**	**9,410,601**

H. Assets by Geographical Region

The location of segment assets by geographical location of the assets is disclosed below:		
Australia	211,563	4,241,118
United Kingdom	-	2,537,869
Singapore	-	14,119
Total segment assets	**211,563**	**6,793,106**

Note 25. Cash Flow Information

A. Reconciliation of Cash Flow (used in) / from operations with profit / (loss) after income tax

	Consolidated Group	
	2021	2020
	$	$
(Loss) from ordinary activities after income tax	1,185,332	(6,520,079)
Non-cash flows in profit / (loss) from ordinary activities:		
Depreciation	1,615,827	4,784,792
Debt Forgiveness	(7,265,849)	-
Impairment	131,079	1,242,645
FX Gain	(416,261)	-
Employee entitlements	13,624	92,054
Bad debts	-	(748,311)
Decrease / (increase) in receivables	806,619	1,978,395
Decrease / (increase) in other current assets	1,282,529	(147,037)
Decrease / (increase) in other assets	(506,045)	(655,232)
Increase / (decrease) in trade creditors	(1,650,997)	78,849
Increase / (decrease) in provisions	(335,772)	460,069
Increase / (decrease) in current liabilities	4,703,520	50,000
Increase / (decrease) in tax	(185,426)	(190,125)
Cash flow from / (used in) operations	(621,820)	426,020

Note 26. Share Based Payments

i. The following share-based payments were made during the financial year 2021: nil.

ii. A summary of the movements of all companies' options issued is as follows:

	Number	Weighted Average Exercise Price
Options outstanding as at 30 June 2010	**12,850,000**	**$0.0619**
Granted	-	-
Forfeited	(200,000)	$0.0375
Exercised	-	-
Expired	(3,000,000)	$0.1128
Options outstanding as at 30 June 2011	**9,650,000**	**$0.0466**
Granted	12,800,000	$0.0203
Forfeited	-	-
Exercised	-	-
Expired	(6,650,000)	$0.0375
Options outstanding as at 30 June 2012	**15,800,000**	**$0.0295**
Granted	16,250,000	$0.0130
Forfeited	(3,000,000)	$0.0688
Exercised	-	-
Options outstanding as at 30 June 2013	**29,050,000**	$0.0393
Granted	9,225,000	$0.0224
Forfeited	-	-
Exercised	(15,200,000)	$0.0201
Options exercisable as at 30 June 2014	**23,075,000**	$0.0129
Granted	19,197,334	$0.1618
Forfeited	(550,000)	$0.0000
Exercised	(8,565,000)	$0.0258
Options exercisable as at 30 June 2015	**33,157,334**	$0.0985
Granted	17,500,000	$0.3310
Forfeited	-	-
Exercised	(6,077,500)	$0.0251
Options exercisable as at 30 June 2016	**44,579,834**	$0.1817
Granted	-	-
Forfeited	(32,759,834)	$0.2075
Exercised	(2,470,000)	$0
Options exercisable as at 30 June 2017	**9,350,000**	$0.1897
Granted	5,000,000	$0.0370
Forfeited	(9,350,000)	$0
Exercised	-	$0
Options exercisable as at 30 June 2018	**5,000,000**	$0.1897
Granted	-	$0
Forfeited	(3,000,000)	$0.39
Exercised	-	$0
Options exercisable as at 30 June 2019	**2,000,000**	$0.037
Granted Employee Options. Details refer to Note 27	8,000,000	$0.025
Forfeited	(2,000,000)	$0.037
Expired Employee Options	(500,000)	$0
Options exercisable as at 30 June 2020	**7,500,000**	$0.025
Granted	-	$0
Forfeited	(3,750,000)	$0.02
Exercised	-	$0
Options exercisable as at 30 June 2021	**3,750,000**	$0.025

Note 27. Options

There were no options issued to staff during financial year ending 2021. During FY 2020, no options were canceled. No options have been exercised within FY 2021. 3,750,000 options were expired in FY 2021.

Note 28. Dividends

	Consolidated Group	
	2021	**2020**
	$	**$**
No dividends were provided for or paid	-	-
Dividends franking account		
Balance of franking account at year end arising from payment of provision for income tax	779,446	779,446

The above available amounts are based on the balance of the dividend franking account at year-end, adjusted for franking credits that will arise from the payment of the amount of the provision for income tax.

Note 29. After Balance Date Events

As announced to ASX on 8 September 2021, the Company's ordinary shares and options were to be consolidated effective on 13 October 2021.

As announced to ASX on 13 October 2021, the results of the AGM show all resolutions were passed on the meeting.

Resolutions voted on at the meeting					If decided by poll[5]					Proxies received[6]			
Resolution		Result[2]	Voting method[3]	If s250U applies[4]	Voted for		Voted against		Abstained	For	Against	Abstain	Discretion[9]
No[1]	Short description				Number	%[7]	Number	%[8]	Number	Number	Number	Number	Number
1	Consolidation of existing shares	Passed	Poll	N/A	273,824,204	98.14%	5,176,217	1.86%	5,500,000	272,439,204	5,176,217		
2	Allotment and issue of shares to Jackyboy Pty Ltd	Passed	Poll	N/A	272,824,204	98.14%	5,176,217	1.86%	6,500,000	272,439,204	5,176,217		
3	Allotment and Issue of Shares to Benelong Capital Partners Pty Ltd	Passed	Poll	N/A	273,824,204	98.14%	5,176,217	1.86%	5,500,000	272,439,204	5,176,217		
4	Election of Mr Rodd Boland as a Director	Passed	Poll	N/A	273,931,021	98.18%	5,069,400	1.81%	5,500,000	272,546,021	5,069,400		
5	Election of Mr Edward Day as a Director	Passed	Poll	N/A	273,931,021	98.18%	5,069,400	1.81%	5,500,000	272,546,021	5,069,400		
6	Election of Mr Keith Rhee as a Director	Passed	Poll	N/A	273,931,021	98.18%	5,069,400	1.81%	5,500,000	272,546,021	5,069,400		

As announced to ASX on 13 October 2021, Impelus Limited has transferred the responsibility for the maintenance of the Impelus Limited Share Register to Advanced Share Registry Limited.

As announced to ASX on 17 November 2021, Mr Brendan Birthistle and Mr David Haines have resigned as directors of the Company. The Deed of Company Arrangement has been wholly effectuated as at 17 November 2021. The control of the Company reverted to the current directors of the Company. Under the DOCA, borrowings of the group totaling $6,032,016 was eliminated and resulted in a debt forgiveness being recognised in the statement of profit or loss and other comprehensive income. In addition, Impelus Limited disposed of its holding in Marketing Punch Limited. As a result of the sale, intangible assets relating to marketing punch of $1,461,385 was impaired in full.

As announced to ASX on 25 November 2021, Mr Madhukar Bhalla was appointed as company secretary.

As announced to ASX on 1 December 2021, Mr Paris Magdalinos and Mr Steven Hadjifotis were appointed as directors of the Company.

Mr Edward Day, Mr Keith Rhee and Mr Rodd Boland were appointed as directors of the Company on 12 Oct 2021 as announced on 16 December 2021. Mr Edward Day and Mr Keith Rhee resigned as directors of the Company on 30 November 2021.

As announced to ASX on 27 January 2022, Impelus Limited is considering to acquire a new business that requires compliance with Chapter 1 and Chapter 2 of the ASX.

Note 30. Related Party Transactions

a. Related Parties

a) Key management personnel
Any person(s) having authority and responsibility of planning, directing and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of that entity, are considered key management personnel.
For details of disclosure relating to key management personnel, refer to Note 7.

b) Subsidiaries
Interest in subsidiaries are set out in Note 13.

c) Other related parties
Other related parties include entities over which key management personnel have joint control.

b. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Note 31. Contingent Liabilities

There are no contingent liabilities at balance date.

Note 32. Leasing Commitments

	Consolidated Group	
	2021	2020
	$	$
Not later than one year	-	262,843
COVID-19 Abatement	-	(54,768)
Later than one year but not later than five years	-	-
Minimum payments	-	208,075

Note 33. Financial Risk Management

The Group does not engage in any significant transactions that are speculative in nature. The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and loans to and from subsidiaries.

The Board of Directors monitor and manage financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to counter party credit risk, currency risk, financing risk and interest rate risk.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets while minimising potential adverse effects on financial performance. The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and interest rate risk.

A. Interest Rate Risk

The Consolidated Group's exposure to interest rate risk which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Consolidated Group	**Weighted Average Interest Rate %**	**Non-interest Bearing $**	**Fixed Interest Rate Maturing** 1 Year or Less $	**Fixed Interest Rate Maturing** 1 to 5 Years $	**Floating Interest Rate $**	**Total $**
2021						
Financial assets:						
Cash and cash equivalents	-		-	-	205,263	205,263
Trade and other receivables		-	-	-	-	-
		-	-	-	205,263	205,263
Financial liabilities:						
Trade and other payables	-	113,733	-	-	-	113,733
		113,733	-	-	-	113,733
	Weighted Average Interest Rate %	**Non-interest Bearing $**	**Fixed Interest Rate Maturing** 1 Year or Less $	**Fixed Interest Rate Maturing** 1 to 5 Years $	**Floating Interest Rate $**	**Total $**
2020						
Financial assets:						
Cash and cash equivalents	0.51		289,561	-	723,530	1,013,091
Income tax payable	-	-	-	-	-	-
Trade and other receivables		1,361,742	-	-		1,361,742
		1,361,742	289,561	-	723,530	2,374,833
Financial liabilities:						
Trade and other payables	-	1,792,400	-	-	-	1,792,400
Deferred consideration	-	-	-	-	-	-
Borrowings - External	5.42	-	684,569	3,875,000	-	4,559,569
Borrowings - Internal	15.23*	-	-	1,650,000	-	1,650,000
		1,792,400	684,569	5,525,000	-	8,001,969

*The change of interest rate is based on the weighted average interest rate from different loan agreements.

B. Credit Risk

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

C. Net Fair Values

The carrying value of financial assets and financial liabilities recorded in the statement of financial position approximates their respective net fair values. Fair values are determined by reference to standard terms and conditions, quoted market prices, where available, or discounting expected future cash flows.

Note 33. Financial Risk Management (Continued)
D. Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- using derivatives that are only traded in highly liquid markets;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Consolidated Group	**Within 1 Year**		**1 to 5 Years**		**Total**	
Financial liabilities due for payment	**2021 $**	2020 $	**2021 $**	2020 $	**2021 $**	2020 $
Loans	-	-	-	-	-	-
Trade and other payables	113,733	1,792,400	-	-	113,733	1,792,400
Borrowings – External	-	684,569	-	3,875,000	-	4,559,569
Borrowings - Internal	-	-	-	1,650,000	-	1,650,000
Total contractual outflows	113,733	2,476,969	-	5,525,000	113,733	8,001,969
Financial assets – cash flows realisable						
Cash & cash equivalents	205,263	1,013,091	-	-	205,263	1,013,091
Trade & loan receivables	-	1,361,742	-	-	-	1,361,742
Total anticipated inflows	205,263	2,374,833	-	-	205,263	2,374,833
Net (outflows) / inflows on financial instruments	91,530	(102,136)	-	(5,525,000)	91,530	(5,627,136)

E. Market Risk

i. Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments. The financial instruments that primarily expose the Group to interest rate risk are borrowings.

ii. Foreign Exchange Risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies which the Group holds financial instruments which are other than the AUD functional currency of the Group. With instruments being held overseas by overseas operations, fluctuations in the US dollar and UK pound sterling may impact on the Group's financial results.

Directors' Declaration

The directors of the Company declare that:

A. the financial statements and notes, as set out on pages 13 to 49, are in accordance with the *Corporations Act 2001* and:

   i. comply with Australian Accounting Standards, which as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (**IFRS**); and

   ii. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Consolidated Group;

B. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

C. the directors have been given the declarations required by s295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.

At the date of this declaration, there are reasonable grounds to believe that the members of the Group will be able to meet any obligations or liabilities to which they may become subject.

RABoland

Rodd Boland
Non-Executive Chairman
25 February 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPELUS LIMITED AND CONTROLLED ENTITIES ABN: 24 089 805 416

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Impelus Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and the directors' declaration.

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

a. giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

Emphasis of Matter Related to Going Concern

We draw attention to Note 1(R) in the financial report which indicates that the Group had net current liabilities of $4,442 for the year ended 30 June 2021. The Group entered voluntary administration from 9 March 2021, which resulted in a Deed of Company Arrangement (DOCA). Under the DOCA, $7,265,848 was eliminated and resulted in a debt forgiveness being recognised in the statement of profit or loss and other comprehensive income. In addition, Impelus Limited disposed of its holding in Marketing Punch Limited. As a result of the sale, intangible assets relating to marketing punch of $1,461,385 was impaired in full. These conditions along with the difficulties in forecasting future cash flows as a result of the Covid-19 business environment and return to normal business activity indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2021. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Discontinued Operations During the period, the group disposed of its holding in Marketing Punch Limited. As a result of the disposal, intangible assets were impaired in full and results for the period were segregated as discontinued operations. Management exercised judgements in determining allocation of income and expenses of discontinued operations.	In responding to this area of focus, our audit approach included: • Assessing and questioning managements judgements applied in determining costs related to discontinued operations; • Reviewing calculations for mathematical accuracy; and • Assessing disclosures made within the annual financial report.
Debt forgiveness under Deed of Company Arrangement During the year the group entered into a Deed of Company Arrangement (DOCA) resulting in debt forgiveness totalling $7,265,848.	In responding to this area of focus, our audit approach included: • Reviewed agreements entered into during the year to verify the elimination of borrowings for the group; and • Assessing calculations for mathematical accuracy in relation to debt forgiveness recognised during the year.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Going Concern Following operating losses and cash flow deficits, there is a heightened degree of judgement as to the Group's ability to continue as a going concern through the assessment period. Accordingly, we considered the appropriateness of the going concern assumption, the question as to whether there is a material uncertainty and the adequacy of management's disclosure to be a key risk.	We have challenged the key assumptions in management's forecast cash flows for the next 12 months (base case and downside possibilities) by: • Comparing the cash flow forecasts with the Board approved budget, and obtaining explanations for any significant differences; • Ensuring consistency between the forecasts in the group going concern model and those used in the asset value-in-use calculations for impairment assessment purposes; • Assessing the historical accuracy of forecasts prepared by management; • Testing the mechanical accuracy of the model used; • Performing stress tests for a range of reasonably possible scenarios on management's cash flow for the going concern period; • Challenging management's plans for mitigating any identified exposures, obtain additional sources of Financing; • Consideration of COVID-19 impacts to managements assumptions in regard to future revenue forecasts, especially the uncertainty of general economic conditions and return to normal business activity and • Considering whether the disclosures relating to going concern referred to in the basis of preparation section of the accounting policies are balanced, proportionate and clear.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our 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 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the remuneration report included in pages 7 to 10 of the directors' report for the year ended 30 June 2021.

In our opinion, the remuneration report of Impelus Limited for the year ended 30 June 2021 complies with s 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney
Dated this 25th of February 2022