BidEnergy Limited

ABN 94 131 445 335

Annual Report - 30 June 2019

Contents

Directors	Andrew Dyer (Non-Executive Chairman) Guy Maine (Managing Director) Leanne Graham (Non-Executive Director) Geoffrey Kleemann (Non-Executive Director)
Company secretary	Erlyn Dale
Registered office	Suite 5, CPC 145 Stirling Highway Nedlands, Western Australia 6009 Phone: (08) 9389 3110 Fax: (08) 9389 3199
Principal place of business	15 William Street Melbourne, Victoria 3000 Phone: 1800 319 450
Share register	Computershare Investor Services Pty Ltd Level 2, 45 St Georges Terrace, Perth, Western Australia 6000 Phone: (03) 9415 4062
Auditor	RSM Australia Partners Level 21, 55 Collins St Melbourne VIC 3000
Stock exchange listing	BidEnergy Limited securities are listed on the Australian Securities Exchange (ASX code: BID)
Website	www.bidenergy.com
Corporate Governance Statement	The Company's Corporate Governance Statement and Corporate Governance Plan are available on the Company's website at: https://bidenergy.com/investors/

Chairman’s Letter – 2019 Annual Report

Dear Shareholder

It is with pleasure that we provide to you the BidEnergy Limited (ASX: BID) 2019 Annual Report – for the financial year ended 30 June 2019.

In 2019, BidEnergy continued to strengthen its position as a leading provider of energy spend management solutions in our core markets. BidEnergy’s world class robotic platform solution, combined with our deep domain expertise, is highly valued by an ever-increasing number of clients. As at this report date, we are now serving over 100 clients globally through our US rebate and global SAAS utility spend management platform, assisting them to manage over $1 billion of utility spend on an annual basis.

BidEnergy’s clients typically have multi-site operations and the industries we serve range from traditional retail shops through to complex commercial & industrial operations. Our platform solution enables clients to centrally manage and optimise the sourcing and administration of energy and other outgoings across the enterprise – yielding significant benefits to our clients through improved commercial arrangements, increased administrative productivity and identifying and resolving billing errors.

In addition to our successful business model of selling directly to clients, we have rapidly expanded our client market coverage through engagements with facilities management providers, large energy retailers and third-party sales channels. These arrangements have accelerated our market coverage in the core markets of Australia, New Zealand, the United Kingdom and the United States – and have also taken BidEnergy’s solution deployment to new jurisdictions, including Singapore, Malaysia and Japan.

BidEnergy has also diversified our spend management capability from its initial focus on electricity to now enable clients manage the full suite of other typical outgoings, including reticulated gas, bottled gas, water, sewerage, waste, rates and taxes.

With a similar deregulated energy market to Australia, the UK is proving to be a substantial opportunity for BidEnergy’s offerings and a key focus for the company going forward. We have also successfully leveraged our growing rebate business in the United States to secure major multi-site clients, who are now successfully using our energy spend management platform in the vast North American market.

With our robust, proven world class platform and rapidly expanding client base, BidEnergy’s priority focus for the coming period is sustainable growth through effective sales execution and successful client deployments. To do this, we will appropriately invest further in key client facing and client support roles across our core markets. Further, we will be increasing our focus on expanding the breadth and depth of the use of our platform at our now substantial list of existing clients.

I would like to acknowledge my fellow Directors for their ongoing guidance and support during 2019. In particular, I sincerely thank Leanne Graham for her contributions throughout the year, including chairing the board’s Audit & Risk Committee. I would also like to welcome Geoff Kleemann, who recently joined our board in September 2019, and brings a wealth of governance and operating experience to our board.

Finally, I would like to express my sincere and deep appreciation of our wonderful team at BidEnergy. Their incredible energy and passion for our company is what enables BidEnergy’s success as well as delight to be involved with. In particular, I congratulate our Managing Director, Guy Maine, for his leadership of the company, working effectively with our team and board to firmly position BidEnergy as the industry leader. I would also like to recognise the significant contributions of Anthony Du Preez, one of BidEnergy’s founders and our Chief Technology Officer, in leading the development of our platform solution and ensuring the platform readily meet the ongoing needs of our expanding client base.

We are very much looking forward to another year of BidEnergy’s successful and sustainable growth in 2019-20 – and we are off to a great start. We also look forward to you continuing to share that journey with us.

Andrew Dyer
Chairman

MANAGING DIRECTOR'S REPORT

Dear Shareholder,

I'm delighted to present BidEnergy's Annual Report for the year ending 30 June 2019.

SIGNIFICANT PROGRESS MADE AGAINST KEY METRICS

In the past year the Company has made significant progress across all the key metrics of our operations.

Most significantly, with our established technical expertise and sustainable competitive advantage, the company has invested more aggressively to drive our lead generation and sales pipeline. Pleasingly, this has resulted in a substantial increase in customer numbers and revenue across all markets in which we operate.

At year end total BID clients had increased to 92 (53 in FY18), which includes multiple significant client wins in developed markets in the US (8 clients at 30 Jun-19) and UK (9 clients at 30 June-19). Since year end, BidEnergy has signed a three-year agreement with Origin Energy to deploy its world-leading Robotic Process Automation (RPA) platform for Origin Energy's Commercial and Industrial users. Organisations such as Origin Energy with a large and diverse portfolio of customers are ideal partners for our RPA solution. We are seeing global interest in aspects of our platform from Utility companies, Energy brokers, and other market participants where our RPA solution can solve unique data management challenges. Our agreement with Origin Energy reinforces our strategic sales channel that delivers revenue "As a Service" through white labelling with one partner with provision of services to many customers. Origin Energy becomes one of the first energy retailers globally to adopt an RPA-enabled customer facing platform, which will help transform the customer experience and drive significant long-term value.

BidEnergy's total operating revenue grew to $5.3M in FY19 (FY18: $4.1M) representing a 30% increase year on year. Importantly this growth was achieved primarily through growth in BidEnergy subscription fee revenue up 53% to $2.9M. This was delivered through a combination of revenue from significant growth in new client contracts, in Australia and overseas, as well as recurring revenue from existing clients who took up additional commodities and platform services. Annualised subscription revenue expected from signed contracts at 30 June 2019 stood at $4.6M and the company continues to improve cash inflow as sites from these contracts are onboarded onto the Energy Spend Management platform. US energy rebate revenues also grew during the year contributing revenue of $2.4M (FY18: $2.1M).

In the latter stages of FY19, the Board and Management chose to invest further in our salesforce, product development and operations to enable it to execute and deliver on growing opportunities domestically and overseas. The company has made significant investment in its solution for facilities management, energy brokers, and energy retailer portals. The company is well advanced onboarding several channel opportunities that will make growing financial contributions in FY20. The company has a strong sales pipeline on which to execute and the investment made in advancing the companies technology provides a solid platform for growth in FY20.

BidEnergy's now proven ability to convert enterprise customers of significant size and stature is a critical validation point. As the only RPA player in energy spend management, our cloud-based platform delivers information faster, more accurately and at a fraction of the cost of traditional competitors. As such, we expect to rapidly build traction and scale in global markets in the coming year.

UK – SUCCESSFUL ENTRY FOLLOWED BY RAPID SCALE
BidEnergy is capitalising on international expansion opportunities with a successful entry into the UK. The UK represents a large, sophisticated and concentrated energy market five times larger than Australia's, while being structurally similar to Australia. The UK has a digitised energy supply chain with electronic bills, readily available interval data and more than 50 active energy retailers. BidEnergy's UK and Europe country manager, who has extensive experience and contacts in the UK market, is tasked with growing our subscription customer base both in the UK and the larger but more fragmented European market.

OUR PEOPLE

We have worked hard this year to create a culture at BidEnergy that allows employees to more fully participate in the Company's journey and success. In addition to refining and revitalising our approach to market, we have implemented a reward and recognition program for employees. This program has been an effective retention tool for the company, particularly at a time of skill shortages in the RPA sector. I am very proud of the way our team has refined processes and taken on the challenges of preparing the company for the next stage of its growth trajectory.

The substantial progress BidEnergy has achieved over financial year 2019 are a direct testament to the great team we have and their focus on delivering truly transformative and disruptive technology platform.

In May, the Company hired a Chief Commercial Officer, Darren Knihnicki, to further capitalise on these opportunities. Darren brings a wealth of expertise managing growing SaaS technology companies and will focus on the execution of the Company's business pipeline and global growth.

We are now in a strong position to deliver real value to our staff, customers and shareholders, and I am excited by the opportunities we see for our Company in financial year 2019 and beyond.

Guy Maine
Managing Director

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of BidEnergy Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2019.

Directors

The following persons were Directors of BidEnergy Limited during the financial year and up to the date of this report, unless otherwise stated:

Andrew Dyer (Non-Executive Chairman) (appointed as Non-Executive Director on 16 July 2018, becoming Non-Executive Chairman on 21 February 2019)
Guy Maine (Managing Director)
Leanne Graham (Non-Executive Director)
Geoffrey Kleemann (Non-Executive Director) (appointed on 1 September 2019)
Anthony Du Preez (Executive Director) (resigned as director on 13 February 2019, continuing as CTO)
James Baillieu (Non-Executive Chairman) (resigned on 22 February 2019)

Principal activities

During the financial year the principal continuing activities of the Consolidated Entity consisted of carrying on its business as a provider of energy spend management services through the deployment of its cloud-based software platform. In the US only, the Consolidated Entity also earns revenue from its rebate management business whereby fees are earned from clients for managing the submission of information to energy retailers to facilitate the processing of rebates under the 'Energy Efficient Infrastructure Program' applicable in the US.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

BidEnergy's total operating revenue grew to $5.3M in FY19 (FY18: $4.1M) representing a 30% increase year on year. Importantly this growth was achieved primarily through growth in BidEnergy subscription fee revenue up 53% to $2.9M. This was delivered through a combination of revenue from significant growth in new client contracts, in Australia and overseas, as well as recurring revenue from existing clients who took up additional commodities and platform services. BidEnergy clients grew to 92 at 30 June 2019, from 53 at 30 June 2018. US energy rebate revenues also grew during the year contributing revenue of $2.4M (FY18: $2.1M).

Underlying EBITDA* loss increased 20% to $4.7M for FY19 as the Company chose to invest this year in its salesforce, product development and operations to enable it to execute and deliver on growing opportunities domestically and overseas. The Company has made significant investment in its solution for facilities management, energy brokers, and energy retailer portals. The Company is well advanced onboarding several channel opportunities that will make growing financial contributions in FY20. The Company has a strong sales pipeline on which to execute and the investment made in advancing the companies technology provides a solid platform for growth in FY20.

The statutory loss for the Consolidated Entity after providing for income tax amounted to $6.6M (30 June 2018: $4.5M). A reconciliation of underlying EBITDA to statutory profit is contained in note 4, operating segments.

At 30 June 2019 the Company held $4.2M in cash.

	FY19 $'000	FY18 $'000	% Favourable/ (Unfavourable)
BidEnergy Subscription Fee Revenue	2,924	1,908	53%
Rebate Revenue	2,353	2,101	12%
BidEnergy non-subscription fee revenue	27	58	(53%)
Total Revenue	**5,304**	**4,067**	**30%**
Underlying EBITDA	**(4,662)**	**(3,900)**	**(20%)**
Statutory net profit after tax	**(6,566)**	**(4,518)**	**(45%)**

* Underlying EBITDA is a non-IFRS measure calculated as earnings before income tax, and before depreciation and amortisation, capitalised salaries, share based payments, reorganisation costs, transaction fees, net finance costs and foreign exchange as detailed in note 4 of the financial report.

Significant changes in the state of affairs

In December 2018, the Consolidated Entity completed the consolidation of its ordinary share capital, options and performance rights on a 100 for 680 basis, as approved by shareholders at the Annual General Meeting held on 27 November 2018.

On 13 February 2019, Anthony Du Preez resigned as a director of the Company. Anthony continues to hold a senior executive role as Chief Technology Officer.

On 21 February 2019, Andrew Dyer was appointed chairman of the Board, replacing James Baillieu who became a Non-Executive Director.

On 22 February 2019, James Baillieu resigned as Non-Executive Director of the Company.

Other than as noted elsewhere in this report, there were no other significant changes in the state of affairs of the Consolidated Entity during the financial year.

Matters subsequent to the end of the financial year

Supreme Court Proceedings
On 26 July 2019, the Consolidated Entity announced that it received notice that Mr James Baillieu has made an application in the Supreme Court of Melbourne for an order to commence proceedings on behalf of the Company under Section 236 of the Corporations Act 2001 against the Company's directors, Andrew Dyer, Guy Maine and Leanne Graham.

Origin Energy Contract
On 29 August 2019, the Consolidated Entity announced that it has signed an agreement with Origin Energy (ASX: ORG) to deploy BID's Robotic Processing Automation (RPA) platform and analytics across Origin Energy's Commercial and Industrial ("C&I") customers and will be progressively rolled out to 14,500 customers from September 2019.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Likely developments and expected results of operations

BidEnergy will continue to focus on growing its customer base to provide energy spend management services. Growth will be targeted in continued Australian, New Zealand, US and UK expansion, upselling existing platform services, and cross selling the BidEnergy platform to RealWinWin customers. BidEnergy will continue to pursue new channel partners through which to distribute the BidEnergy platform.

Environmental regulation

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

Information on Directors

Name:	Andrew Dyer
Title:	Independent Non-Executive Chairman (appointed as Non-Executive Director on 16 July 2018, becoming Non-Executive Chairman on 21 February 2019)
Qualifications:	B.E(Hons), MBA, MAICD
Experience and expertise:	Mr Dyer's career includes extensive experience in sales and operational roles across a range of industries including information technology, energy, telecommunications and professional services. He has held senior executive and operational positions in Australia and the United States, including roles at IBM, SMS Management & Technology, Indus International and Florida Power & Light Group. Mr Dyer has considerable experience in government, government relations and international trade. He is the former Commissioner to the Americas for the Victorian government, and currently serves as the National Wind Farm Commissioner for the Federal government, reporting to the Australian Parliament. In addition to his professional and executive career, Mr Dyer has extensive governance experience as a chairman and non-executive director. He has served as chair and director of numerous private and public sector organisations – spanning a wide range of sectors including energy, utilities, telecommunications, insurance, health, education, arts, retail and wholesale distribution. Mr Dyer is a Professorial Fellow at Monash University, holds a Bachelor of Engineering with first class honours from Monash University, and an MBA from Georgetown University in Washington DC. He is a member of the Australian Institute of Company Directors.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	121,000 fully paid ordinary shares
Interests in options:	294,118 unlisted options
Interests in rights:	None

Name:	Guy Maine
Title:	Managing Director (appointed 17 January 2018)
Experience and expertise:	Mr Maine has extensive experience building businesses and developing markets for new technology products for leading Australian service providers having held integral executive roles at SingTel Optus, Virgin Mobile, and FOXTEL, including General Management, Director of Sales and Executive Director, respectively. Mr Maine was responsible for the launch of Optus prepaid mobile phones in Australia, as well as securing new distribution channels and driving retail strategy. As Director of Sales for Virgin Mobile, Mr Maine worked with a focused team to launch the challenger brand in 2000 to profitability, before joining FOXTEL in 2003 as Director of Sales. At FOXTEL Mr Maine worked with the core executive team and an internationally credentialed Board on its consumer challenge to convert to digital and heighten consumer growth, and later became an Executive Director of the company.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	160,643 fully paid ordinary shares
Interests in options:	2,205,883 unlisted options
Interests in rights:	None

Name:	Leanne Graham
Title:	Independent Non-Executive Director
Experience and expertise:	Ms Graham is one of New Zealand's few female IT entrepreneur's with over 30 years' experience at the highest levels in the software sector. She has built a name for herself by enabling multiple cloud, mobility and SaaS companies to maximise their global go to market opportunities. Leanne holds a number of directorships on both public and private companies in Australia and New Zealand as well as sits on a number of advisory boards globally. She was the General Manager of Sales at Xero and was the architect of their global sales strategy around 'recruit, educate and grow'; a key channel strategy used to build Xero's customer base in New Zealand, Australia, United Kingdom and the United States. Through her strategic investment company Cloud Rainmakers Ltd, she assists technology companies to identify how they can develop strategic partnerships and disrupt an industry to become export successes.
Other current directorships:	Non-Executive Chairperson of VPC Limited (ASX: VPC) Non-Executive Director of archTIS Limited (ASX: AR9) Non-Executive Director of AppsVillage Australia Limited (ASX: APV)
Former directorships (last 3 years):	None
Interests in shares:	200,475 fully paid ordinary shares
Interests in options:	367,648 unlisted options
Interests in rights:	None

Name:	Geoffrey Kleemann
Title:	Independent Non-Executive Director (appointed on 1 September 2019)
Experience and expertise:	Mr Kleemann commenced his career at Deloitte, and subsequently completed approximately twenty years as a senior executive in a listed environment, as Chief Financial Officer for Crown Limited, Publishing and Broadcasting Limited, Woolworths Limited and Pioneer International Limited. He is currently a Non-Executive Director of the NSW Telco Authority.
Other current directorships:	Independent Non-Executive Director of Domain Holdings Australia Limited (ASX: DHG)
Former directorships (last 3 years):	None
Interests in shares:	150,000 fully paid ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	Anthony Du Preez
Title:	Executive Director (resigned as Director on 13 February 2019, continuing as CTO)
Experience and expertise:	Mr Du Preez is an experienced entrepreneur having founded and built a number of globally scalable technology companies, including www.adslot.com (ASX:ADJ), www.bidenergy.com, www.tradeslot.com and www.carbonnavigator.com. Anthony has a first class honours systems engineering degree and an MBA from the Melbourne Business School.

Name:	James Baillieu
Title:	Non-Executive Chairman (until 21 February 2019, resigned as Non-Executive Director on 22 February 2019)
Qualifications:	LLB and BA
Experience and expertise:	Mr Baillieu is an investor in and consultant to early stage technology businesses. He was an early investor in and consultant to Aconex (ACX) and later assumed the role as SVP of Business Development at Aconex. Prior to this, he spent more than seven years as a consultant with McKinsey & Co assisting businesses in Australia and internationally with strategy and operational improvement. He is a lawyer who practised in commercial law with Mallesons Stephen Jaques in the 1990s. He has an LLB (First Class Honours) and BA from the University of Melbourne.

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Miss Erlyn Dale

Miss Dale is an experienced corporate professional with a broad range of corporate governance and capital markets experience, having been involved with several public company listings, merger and acquisition transactions and capital raisings for ASX-listed companies across a diverse range of industries.

Miss Dale began her career in Corporate Recovery and Restructuring at Ferrier Hodgson and is now an Associate Director of corporate services firm, Azalea Consulting, through which she holds positions as company secretary for several ASX listed companies.

Miss Dale holds a Bachelor of Commerce (Accounting and Finance) and a Graduate Diploma in Applied Corporate Governance. She is a member of the Governance Institute of Australia and is a Chartered Secretary.

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2019, and the number of meetings attended by each Director were:

	Full Board Attended	Full Board Held	Audit and Risk Committee Attended	Audit and Risk Committee Held	Remuneration and Nomination Committee Attended	Remuneration and Nomination Committee Held	Special Purpose Committee Attended	Special Purpose Committee Held
Andrew Dyer*	8	9	1	1	-	-	-	-
Guy Maine	9	9	-	-	-	-	-	-
Leanne Graham	9	9	1	1	-	-	-	-
Anthony Du Preez**	2	5	-	-	-	-	-	-
James Baillieu	6	7	-	-	-	-	-	-

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

* Andrew Dyer (appointed as Non-Executive Director on 16 July 2018, becoming Non-Executive Chairman on 21 February 2019)
** Anthony Du Prees (resigned as director on 13 February 2019, continuing as CTO)
*** James Baillieu (resigned on 22 February 2019)

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the Consolidated Entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Consolidated Entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Consolidated Entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, through growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Board recommends the actual payments to directors and the Board is responsible for ratifying any recommendations, if appropriate. ASX listing rules require the aggregate non-executive directors remuneration be determined periodically by a general meeting. The aggregate approved remuneration for non-executive directors is $500,000.

Executive remuneration

The Consolidated Entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the Consolidated Entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Consolidated Entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include revenue growth, profit contribution and customer retention.

The long-term incentives ('LTI') include long service leave and share-based payments. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2019.

Consolidated entity performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the Consolidated Entity. A portion of cash bonus and incentive payments are dependent on defined performance targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board.

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the Company's 2018 Annual General Meeting ('AGM')
At the 2018 Annual General Meeting of shareholders held on 27 November 2018, 92.85% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration
Amounts of remuneration
Details of the remuneration of key management personnel of the Consolidated Entity are set out in the following tables.

	Short-term benefits				Post-employment benefits	Share-based payments	
2019	Cash salary and fees $	Cash bonus $	Non-monetary $	Severance $	Super-annuation $	Equity-settled $	Total $
Directors:							
Andrew Dyer*	63,470	-	-	-	6,030	55,432	124,932
Guy Maine	275,000	120,548	-	-	37,577	57,321	490,446
Leanne Graham	62,404	-	-	-	-	57,778	120,182
James Baillieu**	29,490	-	-	-	2,802	-	32,292
Other Key Management Personnel:							
Anthony Du Preez***	220,833	18,265	9,086	-	22,714	-	270,898
Darren Knihnicki****	20,290	-	-	-	1,928	8,520	30,738
Matthew Watson	198,500	9,132	-	-	19,725	136,706	364,063
	869,987	147,945	9,086	-	90,776	315,757	1,433,551

* Andrew Dyer was appointed as Non-Executive Director on 16 July 2018, becoming Non-Executive Chairman on 21 February 2019.
** James Baillieu resigned as a Director on 22 February 2019.
*** Anthony Du Preez resigned as a director on 13 February 2019, however he remains with the Consolidated Entity as CTO. His remuneration is disclosed under "Other Key Management Personnel", as he did not receive any additional remuneration in his role as the Director.
**** Darren Knihnicki was appointed as Chief Commercial Officer on 27 May 2019.

2018	Short-term benefits Cash salary and fees $	 Cash bonus $	 Non-monetary $	 Severance $	Post-employment benefits Super-annuation $	Share-based payments Equity-settled $	 Total $
Directors:							
James Baillieu	45,662	-	-	-	4,338	-	50,000
Leanne Graham	50,000	-	-	-	-	2,558	52,558
Anthony Du Preez	123,485	-	-	-	11,731	-	135,216
Phillip Adams**	201,681	61,766	756	184,263	-	-	448,466
Robert Browning**	24,456	-	-	-	2,323	-	26,779
Guy Maine*	114,186	-	-	-	10,848	39,857	164,891
Stuart Allinson***	69,000	-	-	-	6,555	812	76,367
Other Key Management Personnel:							
Matthew Watson	190,000	-	-	-	18,050	-	208,050
	818,470	61,766	756	184,263	53,845	43,227	1,162,327

* Guy Maine was appointed Managing Director 17 January 2018.
** Robert Browning and Phillip Adams resigned as directors on 18 November 2017.
*** Stuart Allinson resigned as a director on 17 November 2017.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Guy Maine
Title:	Managing Director of BidEnergy Limited
Agreement commenced:	17 January 2018
Term of agreement:	Ongoing
Details:	Mr Maine receives a base salary of $300,000 per annum plus superannuation. In addition, Mr Maine is entitled to an annual cash bonus, subject to the achievement of performance milestones, with both the amount and milestones being set by the Board on a yearly basis. For FY2019, Mr Maine's maximum annual cash bonus entitlement was set at $300,000, subject to a series of defined performance targets. In addition, the Board has recommended the issue of 1,000,000 share options which will be put to shareholders for their consideration at the 2019 Annual General Meeting. Either party may terminate the employment by providing the other party with three (3) months written notice.

Name:	Darren Knihnicki
Title:	Chief Commercial Officer
Agreement commenced:	27 May 2019
Term of agreement:	Ongoing
Details:	Mr Knihnicki receives a base salary of $200,000 per annum plus superannuation. In addition, Mr Knihnicki is entitled to a maximum annual cash bonus of $50,000 or such other amount as specified by the board each year, and is subject to the achievement of performance targets as defined by the Board. Further, Mr Knihnicki has been issued 110,000 Class F performance rights that vest and become exercisable into fully paid ordinary shares after 12 months of continuous employment with the Company. Either party may terminate the employment by providing the other party with three (3) months written notice.

Name:	Matthew Watson
Title:	Chief Financial Officer
Agreement commenced:	10 October 2016
Term of agreement:	Ongoing
Details:	Mr Watson receives a base salary of $198,500 per annum plus superannuation. In addition, Mr Watson is entitled to a maximum annual cash bonus up to $25,000 or such other amount as specified by the Board each year, and subject to the achievement of performance targets as defined by the Board. Further, Mr Watson was issued 184,416 Class E Performance Rights that vested 12 months after the date of issue. The Company may terminate the employment agreement by providing Mr Watson with 12 weeks written notice, whilst Mr Watson may resign on giving one month notice.

Name:	Anthony Du Preez
Title:	Chief Technology Officer
Agreement commenced:	1 February 2019
Term of agreement:	Ongoing
Details:	Mr Du Preez receives a base salary of $250,000 per annum plus superannuation. In addition, Mr Du Preez is entitled to an annual cash bonus, subject to the achievement of performance milestones, with both the amount and milestones being set by the Board on a yearly basis. For FY2019/20, the maximum annual cash bonus entitlement was set at $100,000, subject to the achievement of defined performance targets. Either party may terminate the employment by providing the other party with one (1) months written notice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted*	Grant date	Expiry date	Exercise price	Fair value per option at grant date
Andrew Dyer	294,118	27/11/2018	26/11/2022	$1.19	$0.475
Leanne Graham	294,118	27/11/2018	26/11/2022	$1.19	$0.475
James Baillieu**	294,118	27/11/2018	26/11/2022	$1.19	$0.475
Anthony Du Preez***	294,118	27/11/2018	26/11/2022	$1.19	$0.475

* Post share consolidation on 100 for 680 basis.
** James Baillieu resigned as a director on 22 February 2019. Options were forfeited.
*** Anthony Du Preez resigned as a director on 13 February 2019. Options were forfeited.

Options granted carry no dividend or voting rights.

Except for the above, there were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Performance rights
The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted*	Grant date	Expiry date	Exercise price	Fair value per right at grant date*
Matthew Watson	184,416	20/07/2018	20/10/2019	-	$0.782
Darren Knihnicki	110,000	27/05/2019	05/11/2020	-	$0.810

* Post share consolidation on 100 for 680 basis.

Performance rights granted carry no dividend or voting rights.

Additional information
The earnings of the Consolidated Entity for the four years to 30 June 2019 are summarised below:

	2019 $	2018 $	2017 $	2016 $
Revenue	5,439,550	4,464,293	2,999,867	1,248,181
Net loss before tax	(6,599,957)	(4,527,522)	(7,378,001)	(3,302,777)
Net loss after tax	(6,566,405)	(4,517,631)	(7,185,483)	(3,302,777)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2019*	2018	2017	2016
Share price at financial year start ($)	0.05	0.02	0.10	0.11
Share price at 2019 financial year start - adjusted for share consolidation ($)	0.34	-	-	-
Share price at financial year end ($)	0.83	0.05	0.02	0.10
Basic earnings per share (cents per share)	(6.00)	(0.66)	(2.21)	(1.02)
Diluted earnings per share (cents per share)	(6.00)	(0.66)	(2.21)	(1.02)

* Share price as at 30 June 2019 reflects post share consolidation on 100 to 680 basis.

The table only discloses information for the four years to 30 June 2019 instead of five years as the information prior to the acquisition of the BidEnergy business, BidEnergy Operations Pty Ltd (previously BidEnergy Pty Ltd), by listed parent company BidEnergy Ltd (previously Cove Resources Ltd) on 1 July 2016 is not relevant.

Additional disclosures relating to key management personnel
Shareholding
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Additions (pre share consolidation)	Share consolidation adjustments*	Additions (post share consolidation)	Other	Balance at the end of the year
Ordinary shares						
Andrew Dyer	-	-	-	86,000	-	86,000
Guy Maine	554,445	186,595	(632,063)	35,000	-	143,977
Leanne Graham	1,100,000	-	(938,235)	22,470	-	184,235
Anthony Du Preez**	46,469,049	-	(39,635,365)	-	-	6,833,684
James Baillieu***	61,209,805	3,000,000	(54,767,185)	387,840	(9,830,460)	-
	109,333,299	3,186,595	(95,972,848)	531,310	(9,830,460)	7,247,896

* Share consolidation adjustment on a 100 to 680 basis.
** Anthony Du Preez resigned as director on 13 February 2019, continuing as CTO.
*** James Baillieu resigned as director on 22 February 2019. The balance in "Other" column represents his shareholding as at the date of resignation.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted (Pre share consolidation)	Share consolidation adjustment*	Forfeited	Balance at the end of the year
Options over ordinary shares					
Andrew Dyer	-	2,000,000	(1,705,882)	-	294,118
Guy Maine	15,000,000	-	(12,794,117)	-	2,205,883
Leanne Graham	500,000	2,000,000	(2,132,352)	-	367,648
James Baillieu**	-	2,000,000	(1,705,882)	(294,118)	-
Anthony Du Preez***	-	2,000,000	(1,705,882)	(294,118)	-
	15,500,000	8,000,000	(20,044,115)	(588,236)	2,867,649

* Share consolidation adjustment on a 100 to 680 basis.
** James Baillieu resigned as a director on 22 February 2019. Options were forfeited.
*** Anthony Du Preez resigned as a director on 13 February 2019. Options were forfeited.

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Matthew Watson	-	184,416	-	-	184,416
Darren Knihnicki*	-	110,000	-	-	110,000
	-	294,416	-	-	294,416

* Unlisted Class F performance rights were issued to Mr Darren Knihnicki (CCO) on 5 August 2019. Under IG4, which is set out in the Appendix to AASB 2 Share Based Payments, the service commencement date of these performance rights was deemed to be 27 May 2019.

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of BidEnergy Limited under option at the date of this report are as follows:

Class	Grant date	Expiry date	Exercise price	Number under option
Unlisted Class E	24/11/2016	24/11/2021	$0.476	567,474
Unlisted Class F	16/12/2016	28/07/2020	$0.680	73,530
Unlisted Class G	08/08/2017	31/12/2020	$0.204	882,353
Unlisted Class H	08/08/2017	31/12/2020	$0.306	882,353
Unlisted Class I	08/08/2017	31/12/2020	$0.408	1,250,000
Unlisted Class J	17/01/2018	16/01/2022	$0.136	2,205,883
Unlisted Class K	27/11/2018	26/11/2022	$1.190	588,236
				6,449,829

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options
The following ordinary shares of BidEnergy Limited were issued during the year ended 30 June 2019 and up to the date of this report on the exercise of options granted:

Date options granted	Class	Exercise price	Number of shares issued
27/05/2015	Listed BIDO options	$0.68	3,129,947
27/05/2015	Issue of Shares pursuant to listed BIDO option underwriting	$0.68	1,051,016
30/06/2016	Unlisted Class C options	$1.02	553,424
			4,734,387

Shares under restricted share units
On 8 February 2019, the Company issued 1,073,000 Unlisted Restricted Share Units ("RSUs") under the Company's 2019 Restricted Share Units Plan to US employees. Each RSU will vest and convert into one fully paid ordinary shares for nil cash consideration on or after 8 March 2020 ("Vesting Date"), provided the holder remains employed by the Company on vesting date.

Shares issued on the conversion of restricted share units
There were no ordinary shares of BidEnergy Limited issued on conversion of restricted share units during the year ended 30 June 2019 and up to the date of this report.

Shares under performance rights
Unissued ordinary shares of BidEnergy Limited under performance rights at the date of this report are as follows:

Class	Grant date	Expiry date	Exercise price	Number under rights
Unlisted Class A	01/07/2016	01/07/2020	$0.85	328,401
Unlisted Class F*	27/05/2019	05/11/2020	-	110,000
				438,401

* Unlisted Class F performance rights were issued to Mr Darren Knihnicki (CCO) on 5 August 2019. Under IG4, which is set out in the Appendix to AASB 2 Share Based Payments, the service commencement date of these performance rights was deemed to be 27 May 2019.

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of performance rights
The following ordinary shares of BidEnergy Limited were issued during the year ended 30 June 2019 and up to the date of this report on the exercise of performance rights granted:

Date performance rights granted	Class	Exercise price	Number of shares issued
01/07/2016	Unlisted Class E	-	2,250,198

Indemnity and insurance of officers
The Consolidated Entity has indemnified the directors and executives of the Consolidated Entity for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Consolidated Entity paid a premium in respect of a contract to insure the directors and executives of the Consolidated Entity against a liability 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.

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

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

Proceedings on behalf of the Consolidated Entity
On 26 July 2019, the Company announced that it received notice that Mr James Baillieu has made an application in the Supreme Court of Melbourne for an order to commence proceedings on behalf of the Company under Section 236 of the Corporations Act 2001 against the Company's directors, Andrew Dyer, Guy Maine and Leanne Graham.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Consolidated Entity who are former partners of RSM Australia Partners
There are no officers of the Consolidated Entity who are former partners of RSM Australia Partners.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor
RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors

Andrew Dyer
Non-Executive Chairman

26 September 2019

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of BidEnergy Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 26 September 2019
Melbourne, Victoria

BidEnergy Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Revenue	5	5,304,110	4,066,742
Other income	6	135,440	397,551
Expenses			
Third party support and development costs		(1,253,374)	(698,518)
Depreciation and amortisation expense	7	(542,858)	(707,415)
Employee benefits expense		(5,471,025)	(4,669,059)
Share based payments	33	(2,540,114)	(331,673)
Administration expense		(1,388,034)	(711,023)
Marketing expense		(243,702)	(248,497)
Occupancy expense		(388,236)	(351,297)
Travel expense		(212,164)	(149,899)
Ameresco transaction costs		-	(308,694)
Reorganisation costs		-	(458,612)
Ameresco break fee		-	(357,128)
Loss before income tax benefit		(6,599,957)	(4,527,522)
Income tax benefit	8	33,552	9,891
Loss after income tax benefit for the year attributable to the owners of BidEnergy Limited		(6,566,405)	(4,517,631)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		69,552	(185,829)
Other comprehensive income for the year, net of tax		69,552	(185,829)
Total comprehensive income for the year attributable to the owners of BidEnergy Limited		(6,496,853)	(4,703,460)
		Cents	**Cents**
Basic earnings per share	32	(6.00)	(4.47)
Diluted earnings per share	32	(6.00)	(4.47)

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

BidEnergy Limited
Statement of financial position
As at 30 June 2019

	Note	Consolidated 2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	9	4,198,978	5,275,956
Trade and other receivables	10	287,745	187,861
Financial assets at amortised cost	11	37,500	37,500
Other current assets	12	662,971	65,567
Total current assets		5,187,194	5,566,884
Non-current assets			
Property, plant and equipment	13	40,514	28,247
Intangibles	14	2,198,309	2,033,759
Other	15	70,008	51,716
Total non-current assets		2,308,831	2,113,722
Total assets		7,496,025	7,680,606
Liabilities			
Current liabilities			
Trade and other payables	16	748,090	378,069
Employee benefits	17	317,362	198,809
Other	18	182,162	355,880
Total current liabilities		1,247,614	932,758
Non-current liabilities			
Deferred tax liabilities		165,719	189,154
Employee benefits	19	92,793	49,229
Total non-current liabilities		258,512	238,383
Total liabilities		1,506,126	1,171,141
Net assets		5,989,899	6,509,465
Equity			
Issued capital	20	25,797,430	22,360,257
Reserves	21	3,714,150	1,104,484
Accumulated losses		(23,521,681)	(16,955,276)
Total equity		5,989,899	6,509,465

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

BidEnergy Limited
Statement of changes in equity
For the year ended 30 June 2019

Consolidated	Issued Capital $	Accumulated Losses $	Reserves $	Total equity $
Balance at 1 July 2017	16,021,604	(12,496,931)	1,017,926	4,542,599
Loss after income tax benefit for the year	-	(4,517,631)	-	(4,517,631)
Other comprehensive income for the year, net of tax	-	-	(185,829)	(185,829)
Total comprehensive income for the year	-	(4,517,631)	(185,829)	(4,703,460)
Transactions with owners in their capacity as owners:				
Shares issued in lieu of accrued corporate advisory services fees	110,000	-	-	110,000
Issue of shares (rights issue)	6,706,774	-	-	6,706,774
Cost of capital raising	(478,121)	-	-	(478,121)
Transfers	-	59,286	(59,286)	-
Share based payments to advisors	-	-	264,417	264,417
Share based payments to employees	-	-	67,256	67,256
Balance at 30 June 2018	22,360,257	(16,955,276)	1,104,484	6,509,465

Consolidated	Issued Capital $	Accumulated Losses $	Reserves $	Total equity $
Balance at 1 July 2018	22,360,257	(16,955,276)	1,104,484	6,509,465
Loss after income tax benefit for the year	-	(6,566,405)	-	(6,566,405)
Other comprehensive income for the year, net of tax	-	-	69,552	69,552
Total comprehensive income for the year	-	(6,566,405)	69,552	(6,496,853)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 20)	3,303,489	-	-	3,303,489
Shares issued to RWW vendors for earn out settlement	133,684	-	-	133,684
Share based payments (note 33)	-	-	2,540,114	2,540,114
Balance at 30 June 2019	25,797,430	(23,521,681)	3,714,150	5,989,899

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

BidEnergy Limited
Statement of cash flows
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		5,502,945	4,242,879
Payments to suppliers and employees (inclusive of GST)		(8,753,476)	(8,191,648)
Receipts from research and development incentive		82,880	173,825
Receipts from other grants		-	155,855
Interest received		52,561	67,871
Net cash used in operating activities	31	(3,115,090)	(3,551,218)
Cash flows from investing activities			
Payments for term deposit		-	(37,500)
Payments for property, plant and equipment	13	(27,983)	(95,787)
Payments for intangibles (capitalised development costs)	14	(1,019,496)	(900,175)
Receipts from research and development incentive (offset against capitalised development costs)	14	391,575	399,867
Proceeds from disposal of plant and equipment		-	20,274
Ameresco break fee		-	(357,128)
Net cash used in investing activities		(655,904)	(970,449)
Cash flows from financing activities			
Proceeds from issue of shares	20	2,686,856	6,706,774
Share issue transaction costs		-	(478,120)
Net cash from financing activities		2,686,856	6,228,654
Net increase/(decrease) in cash and cash equivalents		(1,084,138)	1,706,987
Cash and cash equivalents at the beginning of the financial year		5,275,956	3,568,969
Effects of exchange rate changes on cash and cash equivalents		7,160	-
Cash and cash equivalents at the end of the financial year	9	4,198,978	5,275,956

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

Note 1. General information

The financial statements cover BidEnergy Limited as a Consolidated Entity consisting of BidEnergy Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is BidEnergy Limited's functional and presentation currency.

BidEnergy Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Suite 5, CPC 145 Stirling Highway Nedlands, Western Australia 6009	15 William Street Melbourne, Victoria 3000

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 September 2019.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

AASB 9 Financial Instruments
This standard replaces AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculation of impairment on financial assets, and new general hedge accounting requirements. It also carries forward guidance on recognition and derecognition of financial instruments from AASB 139.

To assess for any expected credit losses under AASB 9, there is consideration around the probability of default upon initial recognition of the asset, and subsequent consideration as to whether there have been any significant increases in credit risk on an ongoing basis at each reporting period. To assess whether there is a significant increase in credit risk the Consolidated Entity compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

In making this assessment, as far as available, the Consolidated Entity considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Consolidated Entity’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Consolidated Entity’s core operations.

Note 2. Significant accounting policies (continued)

In particular, as far as available, the following information is taken into account when assessing significant movements in credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- external credit rating
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Consolidated Entity and changes in the operating results of the borrower
- macroeconomic information such as market interest rates and growth rates

The Consolidated Entity assesses on a forward-looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Consolidated Entity applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impact on application of AASB 9 Financial instruments
There is no impact to the financial statements on application of AASB 9.

AASB 15 Revenue from Contracts with Customers
The Consolidated Entity has adopted AASB 15 from 1 July 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The standard requires:
- contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract;
- determination of the transaction price, adjusted for the time value of money excluding credit risk
- allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and
- recognition of revenue when each performance obligation is satisfied.

Credit risk is presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as deferred revenue, accrued revenue, or a receivable, depending on the relationship between the entity's performance and the customer's payment.

AASB 15 uses the terms “contract asset” and “contract liability”. To maintain consistency in presentation with prior periods, the Consolidated Entity has retained the use of “accrued revenue” and “deferred revenue” respectively. Accrued revenue is presented as part of the other current assets in the Consolidated Entity's statement of financial position, and deferred revenue is presented as part of other current liabilities.

Impact on application of AASB 15 Revenue from Contracts with Customers
The pattern of revenue recognition remains the same under AASB 15 Revenue from Contracts with Customers as it had been recognised under AASB 118 Revenue. Therefore, management believes the application of AASB 15 has not resulted in any adjustments.

Note 2. Significant accounting policies (continued)

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the Parent Entity is disclosed in note 28.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of BidEnergy Limited ('Company' or 'Parent Entity') as at 30 June 2019 and the results of all subsidiaries for the year then ended. BidEnergy Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is BidEnergy Limited's functional and presentation currency.

Note 2. Significant accounting policies (continued)

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
The Consolidated Entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Consolidated Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated Entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Platform subscription fees
Platform subscription fee revenue is recognised over the period to which the customer receives services, once the performance obligations are satisfied and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

RWW rebate revenue
RWW rebate revenue is recognised at the point where cash rebates are received from utility providers, the performance obligations are satisfied and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Non-subscription revenue
Non-subscription revenue from energy spend review services is recognised by reference to the stage of completion of the contracts.

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 2. Significant accounting policies (continued)

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

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

The Consolidated Entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Note 2. Significant accounting policies (continued)

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets
The Consolidated Entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Consolidated Entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	2-5 years
Plant and equipment under lease	2-5 years
Computer equipment	2-5years
Office equipment	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 2. Significant accounting policies (continued)

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Customer lists
Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7.5 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 2 - 5 years.

Capitalised development costs
Software development costs are capitalised at the direct costs incurred and amortised on a straight line basis over the period of their expected benefit being their finite life of 2-3 years. Amortisation starts at the time that the technology is activated and issued by both internal and external customers. The capitalised costs include the direct costs of internal staff and any supporting software acquired from a third party.

Brand
The brand of an entity arises on the acquisition of a business. The brand is amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7.5 years.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 2. Significant accounting policies (continued)

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 2. Significant accounting policies (continued)

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Consolidated Entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Consolidated Entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Consolidated Entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 2. Significant accounting policies (continued)

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of BidEnergy Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Funds held in trust
The Company holds funds and pays utility bills on behalf of its clients. These funds do not meet the definition of an asset, therefore it is not recognised in the statement of financial position.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2019. The Consolidated Entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Consolidated Entity, are set out below.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Consolidated Entity will adopt this standard from 1 July 2019 and it is not expected to have a material impact on the Consolidated Entity’s financial performance and position.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Fair value measurement hierarchy
The Consolidated Entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The Consolidated Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The Consolidated Entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Consolidated Entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Consolidated Entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Income tax
The Consolidated Entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Consolidated Entity recognises liabilities for anticipated tax audit issues based on the Consolidated Entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Consolidated Entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations
As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Consolidated Entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 4. Operating segments

Identification of reportable operating segments
The Consolidated Entity is organised into operating segments: based on the business activities in Australia and UK, US and UK. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted
Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Consolidated Entity.

For financial year 2019 the entity has altered its accounting segments to align with its three separate operating regions – Australia, the USA, and the UK. The UK was previously reported with Australia as an operating segment, however in financial year 2019 the UK is being managed by UK based employees as distinct from financial year 2018. Also, in financial year 2019, the US is being reported as one segment rather than separately for energy spend management and rebate businesses. USA staff are responsible for jointly servicing energy spend management and rebate clients and as such the USA staff will be reported as one segment going forward.

The principal continuing activities of the entity consisted of carrying on its business as a provider of energy spend management services through the deployment of the Company's proprietary cloud-based software platform in Australia, UK and the USA. In the US only, the entity also earns revenue from its rebate management business whereby fees are earned from clients for managing the submission of information to energy retailers to facilitate the processing of rebates under the 'Energy Efficient Infrastructure Program' applicable in the US.

Note 4. Operating segments (continued)

Operating segment information

Consolidated – 2019	Australia $	UK $	USA $	Total $
Platform subscription fees	2,697,784	44,207	181,950	2,923,941
Non-subscription revenue	27,080	-	-	27,080
RWW rebate revenue	-	-	2,353,089	2,353,089
Revenue	**2,724,864**	**44,207**	**2,535,039**	**5,304,110**
Third party support and development costs	(1,090,396)	-	(162,978)	(1,253,374)
Administration expense	(1,030,166)	(23,612)	(324,256)	(1,378,034)
Employee benefits expense	(4,381,297)	(254,841)	(1,854,384)	(6,490,522)
Marketing expense	(108,399)	(37,718)	(97,585)	(243,702)
Travel expense	(151,629)	(15,537)	(44,998)	(212,164)
Occupancy expense	(221,071)	-	(167,165)	(388,236)
Total operating expenses	**(6,982,958)**	**(331,708)**	**(2,651,366)**	**(9,966,032)**
Underlying EBITDA from core operations	**(4,258,094)**	**(287,501)**	**(116,327)**	**(4,661,922)**
Government grants	82,880	-	-	82,880
Capitalised labour (software)	1,019,497	-	-	1,019,497
Depreciation and amortisation	(415,264)	-	(127,594)	(542,858)
Share based payments	(2,540,114)	-	-	(2,540,114)
Interest – other	51,441	-	1,119	52,560
Foreign exchange	(14,445)	4,445	-	(10,000)
Loss before income tax benefit for the year	**(6,074,099)**	**(283,056)**	**(242,802)**	**(6,599,957)**
Income tax	-	-	33,552	33,552
Loss after income tax benefit for the year attributable to the owners of BidEnergy Limited	**(6,074,099)**	**(283,056)**	**(209,250)**	**(6,566,405)**

Note 4. Operating segments (continued)

Consolidated – 2018	Australia $	UK $	USA $	Total $
Platform subscription fees	1,876,195	16,234	15,490	1,907,919
Non-subscription revenue	57,835	-	-	57,835
RWW rebate revenue	-	-	2,100,988	2,100,988
Revenue	**1,934,030**	**16,234**	**2,116,478**	**4,066,742**
Third party support and development costs	(698,519)	-	-	(698,519)
Administration expense	(700,779)	(15,248)	(233,431)	(949,458)
Employee benefits expense	(3,645,102)	-	(1,924,128)	(5,569,230)
Marketing expense	(172,676)	-	(75,822)	(248,498)
Travel expense	(94,406)	-	(55,493)	(149,899)
Occupancy expense	(193,517)	-	(157,780)	(351,297)
Total operating expenses	**(5,504,999)**	**(15,248)**	**(2,446,654)**	**(7,966,901)**
Underlying EBITDA from core operations	**(3,570,969)**	**986**	**(330,176)**	**(3,900,159)**
Reorganisation costs	(229,226)	-	(229,386)	(458,612)
Ameresco transaction costs	-	-	(308,694)	(308,694)
Ameresco break fee	-	-	(357,127)	(357,127)
Government grants	329,680	-	-	329,680
Capitalised labour (software)	900,175	-	-	900,175
Depreciation and amortisation	(589,135)	-	(118,281)	(707,416)
Share based payments	(331,673)	-	-	(331,673)
Interest – other	67,852	-	19	67,871
Foreign exchange	54,299	22,259	161,875	238,433
Profit/(loss) before income tax benefit for the year	**(3,368,997)**	**23,245**	**(1,181,770)**	**(4,527,522)**
Income tax	-	-	9,891	9,891
Profit/(loss) after income tax benefit for the year attributable to the owners of BidEnergy Limited	**(3,368,997)**	**23,245**	**(1,171,879)**	**(4,517,631)**

Note 5. Revenue

	Consolidated 2019 $	**Consolidated 2018 $**
Platform subscription fees	2,923,941	1,907,919
Non-subscription revenue	27,080	57,835
RWW Rebate Revenue	2,353,089	2,100,988
Revenue	5,304,110	4,066,742

Note 5. Revenue (continued)

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	Consolidated 2019 $	Consolidated 2018 $
Major product lines		
Platform subscription fees	2,923,941	1,907,919
Non-subscription revenue	27,080	57,835
RWW Rebate Revenue	2,353,089	2,100,988
	5,304,110	4,066,742
Geographical regions		
Australia	2,724,864	1,934,030
USA	2,535,039	2,116,478
UK	44,207	16,234
	5,304,110	4,066,742
Timing of revenue recognition		
Services transferred over time	2,923,941	1,907,919
Services transferred at point in time	2,380,169	2,158,823
	5,304,110	4,066,742

Note 6. Other income

	Consolidated 2019 $	Consolidated 2018 $
Interest	52,560	67,871
Grant income	82,880	329,680
Other income	135,440	397,551

Note 7. Expenses

	Consolidated 2019 $	Consolidated 2018 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Computer equipment	3,485	1,889
Office equipment	12,231	18,384
Total depreciation	15,716	20,273
Amortisation		
Software	436,013	605,570
Brands	68,566	61,376
Customer List	22,563	20,196
Total amortisation	527,142	687,142
Total depreciation and amortisation	542,858	707,415

Note 8. Income tax benefit

	Consolidated 2019 $	Consolidated 2018 $
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(6,599,957)	(4,527,522)
Tax at the statutory tax rate of 27.5%	(1,814,988)	(1,245,069)
Non-deductible expenses	698,531	91,210
Research and development	(22,792)	(47,801)
Unrecognised income tax benefit in respect of current year losses	1,200,116	1,153,812
Amount not brought to account as deferred tax asset in the current year	(60,868)	47,848
Amounts brought to account as deferred tax asset in the current year	(23,435)	(15,618)
Other amounts not recognised relating to foreign exchange	(10,116)	5,727
Income tax benefit	(33,552)	(9,891)

	Consolidated 2019 $	Consolidated 2018 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	12,415,806	11,628,528
Potential tax benefit @ 27.5%	3,414,347	3,197,845

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed, and the Company earns sufficient taxable profit to absorb the losses.

Note 8. Income tax benefit (continued)

	Consolidated 2019 $	Consolidated 2018 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Employee entitlements	102,557	68,210
Capital raising costs	270,358	307,303
Other	34,978	9,864
Tax losses	3,414,347	3,197,845
Less deferred tax liability not recognised - prepayments	(10,328)	(16,260)
Net deferred tax assets not recognised	3,811,912	3,566,962

The above potential tax benefit, which includes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 9. Current assets - cash and cash equivalents

	Consolidated 2019 $	Consolidated 2018 $
Cash at bank	4,198,978	5,275,956

Note 10. Current assets - trade and other receivables

	Consolidated 2019 $	Consolidated 2018 $
Trade receivables	287,745	187,861

Due to the short term nature of the receivables, their carrying value is assumed to approximate their fair value. No collateral or security is held. The Consolidated Entity has financial risk management policies in place to ensure that all receivable are received within the credit time frame.

Allowance for expected credit losses
Movements in the allowance for expected credit losses are as follows:

	Consolidated 2019 $	Consolidated 2018 $
Opening balance	-	45,999
Receivables written off during the year as uncollectable	-	(22,515)
Unused amounts reversed	-	(23,484)
Closing balance	-	-

Note 11. Current assets - financial assets at amortised cost

	Consolidated 2019 $	Consolidated 2018 $
Term deposit	37,500	37,500

Note 12. Current assets - Other current assets

	Consolidated 2019 $	Consolidated 2018 $
Prepayments	46,178	59,126
Other	616,793	6,441
	662,971	65,567

Note 13. Non-current assets - property, plant and equipment

	Consolidated 2019 $	Consolidated 2018 $
Computer equipment - at cost	25,043	17,002
Less: Accumulated depreciation	(5,549)	(1,889)
	19,494	15,113
Office equipment - at cost	106,540	86,423
Less: Accumulated depreciation	(85,520)	(73,289)
	21,020	13,134
	40,514	28,247

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office Equipment At cost $	Computer Equipment At cost $	Total $
Balance at 1 July 2017	27,157	-	27,157
Additions	4,361	91,426	95,787
Disposals	-	(74,424)	(74,424)
Depreciation expense	(18,384)	(1,889)	(20,273)
Balance at 30 June 2018	13,134	15,113	28,247
Additions	20,117	7,866	27,983
Depreciation expense	(12,231)	(3,485)	(15,716)
Balance at 30 June 2019	21,020	19,494	40,514

Note 14. Non-current assets - intangibles

	Consolidated 2019 $	Consolidated 2018 $
Goodwill - at cost	693,472	657,767
Customer list - at cost	156,479	148,422
Less: Accumulated amortisation	(53,895)	(31,332)
	102,584	117,090
Software - at cost	2,168,632	1,534,471
Less: Accumulated amortisation	(1,078,158)	(631,428)
	1,090,474	903,043
Brand - at cost	475,559	451,073
Less: Accumulated amortisation	(163,780)	(95,214)
	311,779	355,859
	2,198,309	2,033,759

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $	Software $	Brands $	Customer Lists $	Total $
Balance at 1 July 2017	634,503	1,008,534	401,282	132,037	2,176,356
Additions	-	900,175	-	-	900,175
R&D refund	-	(399,867)	-	-	(399,867)
Foreign exchange differences	23,264	(229)	15,953	5,249	44,237
Amortisation	-	(605,570)	(61,376)	(20,196)	(687,142)
Balance at 30 June 2018	657,767	903,043	355,859	117,090	2,033,759
Capitalised development costs	-	1,019,496	-	-	1,019,496
R&D refund	-	(391,575)	-	-	(391,575)
Foreign exchange differences	35,705	(4,477)	24,486	8,057	63,771
Amortisation	-	(436,013)	(68,566)	(22,563)	(527,142)
Balance at 30 June 2019	693,472	1,090,474	311,779	102,584	2,198,309

Impairment Testing of Intangible balances
BidEnergy holds intangible balances relating to goodwill and other intangibles purchased as part of the US based RealWinWin energy rebate capture business purchased in November 2016, as well as intangible balances relating to developed software for the BidEnergy energy spend management business. The recoverable amount of these intangibles has been determined based on a value in use calculation using separate cash flow projections for the BidEnergy US and BidEnergy cash generating units (CGU's) over a five-year period respectively. Cash flow beyond the five year forecast are extrapolated using estimated terminal growth rates.

Note 14. Non-current assets - intangibles (continued)

Key assumptions used for value in use calculations

BidEnergy US

The following key assumptions were used in the discounted cashflow model for RealWinWin goodwill and intangible asset assessment of $1,124,630:
(a) 20.9% pre-tax discount rate;
(b) 43% per annum average projected revenue growth rate;
(c) 23% per annum increase in operating costs and overheads;
(d) Terminal growth rate of 2% at the end of the forecast period.

The discount rate of 20.9% pre-tax reflects management's estimate of the time value of money and the Consolidated Entity's weighted average cost of capital adjusted for RealWinWin, the risk-free rate and the volatility of the share price relative to market movements.

Management believes the projected 43% revenue growth rate is reasonable and justified, based on known contracts and market conditions.

Results of impairment testing and sensitivity to changes in assumptions
Based on the impairment testing of BidEnergy US goodwill and intangible assets for 2019, there was no requirement to impair intangibles as the recoverable amounts exceed the intangible carrying amounts.

The Group has considered changes in key assumptions that it believes to be reasonably possible. For the BidEnergy US CGU, the recoverable amount exceeds the carrying amount when testing for reasonably possible changes in key assumptions and there is no reasonable possible change in a key assumption that would result in impairment.

BidEnergy

The following key assumptions were used in the discounted cashflow model for BidEnergy capitalised software assessment of $1,090,474:
(a) 20.9% pre-tax discount rate;
(b) 59% per annum average projected revenue growth rate;
(c) 34% per annum increase in operating costs and overheads;
(d) Terminal growth rate of 2.0% at the end of the forecast period.

The discount rate of 20.9% pre-tax reflects management's estimate of the time value of money and the Consolidated Entity's weighted average cost of capital adjusted for the BidEnergy software platform, the risk-free rate and the volatility of the share price relative to market movements.

Management believes the projected 59% revenue growth rate is reasonable and justified, based on known contracts and market conditions

Results of impairment testing and sensitivity to changes in assumptions

Based on the impairment testing of BidEnergy capitalised software for 2019, there was no requirement to impair the intangible asset as the recoverable amounts exceed the intangible carrying amounts.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of BidEnergy's capitalised software is based would not cause the CGU's intangible carrying amount to exceed its recoverable amount.

Note 15. Non-current assets - other

	Consolidated	
	2019 $	2018 $
Security deposits	70,008	51,716

Note 16. Current liabilities - trade and other payables

	Consolidated 2019 $	2018 $
Trade payables	271,490	47,819
Accrued expenses	166,385	96,604
Other payables	310,215	233,646
	748,090	378,069

Refer to note 22 for further information on financial instruments.

Note 17. Current liabilities - Employee benefits

	Consolidated 2019 $	2018 $
Annual leave	317,362	198,809

Note 18. Current liabilities - other

	Consolidated 2019 $	2018 $
Deferred revenue	182,162	203,991
Contingent consideration	-	151,889
	182,162	355,880

Contingent consideration

Contingent consideration relates to the value of the potential earn out payable relating to the acquisition of the RealWinWin US energy rebate capture business completed on 24 November 2016. The contingent consideration is based on the annual contract value of the BidEnergy energy spend management subscription services sold to existing RealWinWin customers from 1 January 2018 to 31 December 2018.

On 10 May 2019, the Consolidated Entity issued 112,566 at deemed share price of $1.187 to settle the earn out provision.

Note 19. Non-current liabilities - Employee benefits

	Consolidated 2019 $	2018 $
Long service leave	92,793	49,229

Note 20. Equity - issued capital

	Consolidated			
	2019 Shares	**2018 Shares**	**2019 $**	**2018 $**
Ordinary shares - fully paid	113,770,785	740,677,364	25,797,430	22,360,257

Movements in ordinary share capital

Details	Ordinary shares	$
Balance as at 1 July 2017	329,838,682	16,021,604
Shares issued in lieu of accrued corporate advisory services fees	5,500,000	110,000
Issue of shares (rights issue)	335,338,682	6,706,774
Costs of capital raising	-	(478,121)
Conversion of performance shares	70,000,000	-
Balance as at 30 June 2018	740,677,364	22,360,257
Share consolidation	(631,753,532)	-
Exercise of options	3,683,371	2,692,856
Issue of Earn Out Shares to RWW Vendors	112,566	133,684
Issue of Shares pursuant to BIDO option underwriting*	1,051,016	714,691
Costs of capital raising	-	(104,058)
Balance as at 30 June 2019	113,770,785	25,797,430

* On 13 June 2019, the Consolidated Entity announced that it entered into an Underwriting Agreement with Canaccord Genuity (Australia) Limited to fully underwrite the exercise of BIDO options. As at 30 June 2019, the remaining options were deemed to be issued in accordance with AASB 132.

Movements in listed share options (ASX: BIDO)

Details	Listed options
Balance as at 1 July 2018	28,430,006
Share consolidation adjustment	(24,249,043)
Exercise of BIDO options	(3,129,947)
Issue of Shares pursuant to BIDO option underwriting*	(1,051,016)
Balance as at 30 June 2019	-

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Note 20. Equity - issued capital (continued)

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

The Consolidated Entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

The capital risk management policy remains unchanged from the 2018 Annual Report.

Note 21. Equity - reserves

	Consolidated 2019 $	Consolidated 2018 $
Foreign currency reserve	(59,590)	(129,142)
Options reserve	3,773,740	1,233,626
	3,714,150	1,104,484

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve $	Options reserve $	Total $
Balance at 1 July 2017	56,687	961,239	1,017,926
Foreign currency translation	(185,829)	-	(185,829)
Share based payments for Advisors	-	264,417	264,417
Share based payments for employees	-	67,256	67,256
Transfer to retained earnings	-	(59,286)	(59,286)
Balance at 30 June 2018	(129,142)	1,233,626	1,104,484
Foreign currency translation	69,552	-	69,552
Share based payments for employees and directors	-	2,540,114	2,540,114
Balance at 30 June 2019	(59,590)	3,773,740	3,714,150

Note 22. Financial instruments

Financial risk management objectives
The Consolidated Entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Consolidated Entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Consolidated Entity. The Consolidated Entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Derivatives are not currently used by the Consolidated Entity for hedging purposes. The Consolidated Entity does not speculate in the trading of derivative instruments.

Note 22. Financial instruments (continued)

Market risk

Foreign currency risk
The Consolidated Entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations, in particular United States dollars.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Consolidated Entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows (holdings are shown in AUD equivalent):

	Assets		**Liabilities**	
	2019	**2018**	**2019**	**2018**
Consolidated	**$**	**$**	**$**	**$**
US dollars	482,962	285,840	(97,111)	(53,339)
GBP	26,019	13,428	(21,613)	-
	508,981	299,268	(118,724)	(53,339)

Price risk
The Consolidated Entity is not exposed to any significant price risk.

Interest rate risk
The Consolidated Entity not have any debt that may be affected by interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Consolidated Entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Consolidated Entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Consolidated Entity does not hold any collateral.

The Consolidated Entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Consolidated Entity based on recent sales experience, historical collection rates and forward-looking information that is available.

The Consolidated Entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Liquidity risk arises from the possibility that the Consolidated Entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Consolidated Entity manages this risk by preparing forward looking cash flow analysis in relation to its operational, investing and financing activities and monitoring its cash assets and assets readily convertible to cash in the context of its forecast future cash flows.

The Consolidated Entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 22. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the Consolidated Entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	748,090	-	-	-	748,090
Total non-derivatives		748,090	-	-	-	748,090

Consolidated - 2018	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	378,069	-	-	-	378,069
Total non-derivatives		378,069	-	-	-	378,069

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Key management personnel disclosures

Directors
The following persons were Directors of BidEnergy Limited during the financial year:

Mr Andrew Dyer	Non-Executive Chairman (appointed as Non-Executive Director on 16 July 2018, becoming Non-Executive Chairman on 21 February 2019)
Mr Guy Maine	Managing Director (appointed 17 January 2018)
Ms Leanne Graham	Non-Executive Director (appointed 28 July 2016)
Mr Anthony Du Preez	Executive Director (resigned as director on 13 February 2019, continuing as CTO)
Mr James Baillieu	Non-Executive Chairman (resigned on 22 February 2019)

Other key management personnel
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity, directly or indirectly, during the financial year:

Mr Darren Knihnicki	Chief Commercial Officer (appointed 27 May 2019)
Mr Matthew Watson	Chief Financial Officer

Note 23. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Consolidated Entity is set out below:

	Consolidated	
	2019 $	2018 $
Short-term employee benefits	1,027,018	880,992
Post-employment benefits	90,776	53,845
Termination benefits	-	184,263
Share-based payments	315,757	43,227
	1,433,551	1,162,327

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Consolidated Entity:

	Consolidated	
	2019 $	2018 $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	76,660	68,000
Other services - RSM network firms		
Advisory services	1,500	22,759
Tax and compliance	17,611	39,006
	19,111	61,765
	95,771	129,765

Note 25. Contingent assets and liabilities

The Directors are not aware of any contingent assets or contingent liabilities as at 30 June 2019 (2018: Nil).

Note 26. Commitments

	Consolidated	
	2019 $	2018 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	215,669	172,268
One to five years	35,361	139,871
	251,030	312,139

The company has no capital expenditure commitments as at 30 June 2019 (2018: Nil).

Note 27. Related party transactions

Parent entity
BidEnergy Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Key management personnel
Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 2019 $	Consolidated 2018 $
Payment for other expenses:		
Consulting fees paid to director (Guy Maine) for provision of sales and market strategy meetings	-	14,000
Consulting fees paid to director related entity (Andrew Dyer - through Collins Street Management) for provision of support services	6,251	36,000

Receivable from and Payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2019 $	Consolidated 2018 $
Current payables:		
Trade payables to director related entity (Andrew Dyer - through Collins Street Management) for provision of support services	-	4,167

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2019 $	Parent 2018 $
Loss after income tax	(3,298,114)	(960,544)
Total comprehensive income	(3,298,114)	(960,544)

Note 28. Parent entity information (continued)

Statement of financial position

	Parent 2019 $	Parent 2018 $
Total current assets	3,923,192	4,182,693
Total assets	15,641,542	12,767,896
Total current liabilities	245,647	103,602
Total liabilities	245,647	103,602
Equity		
Issued capital	18,328,523	14,891,351
Options reserve	3,496,213	956,099
Accumulated losses	(6,481,271)	(3,183,156)
Total equity	15,343,465	12,664,294

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2018 and 30 June 2019.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 2018 and 2019.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2019 %	Ownership interest 2018 %
BidEnergy (Operations) Pty Ltd	Australia	100%	100%
BidEnergy Limited	United Kingdom	100%	100%
BidEnergy Inc	United States	100%	100%

Note 30. Events after the reporting period

Supreme Court Proceedings
On 26 July 2019, the Consolidated Entity announced that it received notice that Mr James Baillieu has made an application in the Supreme Court of Melbourne for an order to commence proceedings on behalf of the Company under Section 236 of the Corporations Act 2001 against the Company's directors, Andrew Dyer, Guy Maine and Leanne Graham.

Origin Energy Contract
On 29 August 2019, the Consolidated Entity announced that it has signed an agreement with Origin Energy (ASX: ORG) to deploy BID's Robotic Processing Automation (RPA) platform and analytics across Origin Energy's Commercial and Industrial ("C&I") customers and will be progressively rolled out to 14,500 customers from September 2019.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 31. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2019 $	Consolidated 2018 $
Loss after income tax benefit for the year	(6,566,405)	(4,517,631)
Adjustments for:		
Depreciation and amortisation	542,858	707,415
Foreign exchange differences	4,754	-
Share based payments	2,540,114	331,673
Ameresco break fee	-	357,128
Loss on sale of plant and equipment	-	54,150
Change in operating assets and liabilities:		
Increase in trade and other receivables	(99,881)	(49,715)
Increase in other assets	(5,199)	(46,361)
Increase/(decrease) in trade and other payable	370,021	(94,185)
Decrease in deferred tax liabilities	(23,435)	(24,176)
Decrease in other liabilities	(40,034)	(206,239)
Increase/(decrease) in provisions	162,117	(63,277)
Net cash used in operating activities	(3,115,090)	(3,551,218)

Note 32. Earnings per share

	Consolidated 2019 $	Consolidated 2018 $
Loss after income tax attributable to the owners of BidEnergy Limited	(6,566,405)	(4,517,631)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	109,517,914	101,019,387
Weighted average number of ordinary shares used in calculating diluted earnings per share	109,517,914	101,019,387

Note 32. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(6.00)	(4.47)
Diluted earnings per share	(6.00)	(4.47)

As at 30 June 2019, the Consolidated Entity has 9,648,619 options, 2,578,599 performance rights and 1,073,000 restrictive share units on issue. These equity instruments are considered to be anti-dilutive, as the Consolidated Entity generated loss after income tax.

Note 33. Share-based payments

Advisor options

The Consolidated Entity issued advisor options for corporate advisory services in the previous financial year. These options were independently valued using the Black-Scholes valuation method. For the year ended 30 June 2019, no share based payments expense was recognised as the full option valuation was recognised in prior year when the options were vested immediately upon issuance (2018: $264,417).

Set out below are the advisor options on issue at financial year end:

2019 Class	Grant date	Expiry date	Exercise Price	Balance at the start of the year	Grant	Share Consolidation*	Expired/ forfeited/ other	Balance at the end of the year
Unlisted Class G	08/08/2017	31/12/2020	$0.204	6,000,000	-	(5,117,647)	-	882,353
Unlisted Class H	08/08/2017	31/12/2020	$0.306	6,000,000	-	(5,117,647)	-	882,353
Unlisted Class I	08/08/2017	31/12/2020	$0.408	8,500,000	-	(7,250,000)	-	1,250,000
				20,500,000	-	(17,485,294)	-	3,014,706

* Following shareholder approval, the Company consolidated its issued capital on 100 for 680 shares basis.

2018 Class	Grant date	Expiry date	Exercise price	Balance at the start of the year	Grant	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Unlisted Class A	01/07/2016	30/09/2017	$0.100	10,798,670	-	-	(10,798,670)	-
Unlisted Class B	01/07/2016	31/12/2018	$0.125	9,243,759	-	-	(9,243,759)	-
Unlisted Class D	01/07/2016	30/06/2019	$0.150	25,000,000	-	-	(25,000,000)	-
Unlisted Class G	08/08/2017	31/12/2020	$0.030	-	6,000,000	-	-	6,000,000
Unlisted Class H	08/08/2017	31/12/2020	$0.045	-	6,000,000	-	-	6,000,000
Unlisted Class I	08/08/2017	31/12/2020	$0.060	-	8,500,000	-	-	8,500,000
				45,042,429	20,500,000	-	(45,042,429)	20,500,000

Director options

As part of director remuneration, the Consolidated Entity offers ownership based remuneration in the form of share option plans. The options are issued for nil consideration and are granted in accordance with guidelines established by the Board. Details of share based director remuneration is also included in the remuneration report. $225,964 of share based payment expense was recorded in relation to director options for the financial year 30 June 2019.

Note 33. Share-based payments (continued)

Set out below are summaries of options on issue to directors at financial year end:

2019

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted*	Share consolidation**	Forfeited***	Balance at the end of the year
30/11/2016	28/07/2020	$0.680	500,000	-	(426,470)	-	73,530
17/01/2018	16/01/2022	$0.136	15,000,000	-	(12,794,117)	-	2,205,883
27/11/2018	26/11/2022	$1.190	-	8,000,000	(6,823,528)	(588,236)	588,236
			15,500,000	8,000,000	(20,044,115)	(588,236)	2,867,649

* On 27 November 2018, the Consolidated Entity issued 8,000,000 class K options to Directors. The plan was valued at $558,919, using Binomial Valuation method. As at 30 June 2019, $166,297 had been recognised as share-based payments.
** Following shareholder approval, the Company consolidated its issued capital on 100 for 680 shares basis.
*** Mr James Baillieu resigned as Non-Executive Director on 22 February 2019. Mr Anthony Du Preez resigned as Executive Director on 13 February 2019, continuing as CTO. As a result of both Board resignations, 588,236 Class K options (post share consolidation) were forfeited.

2018

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted*	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30/11/2016	28/07/2020	$0.100	500,000	-	-	-	500,000
17/01/2018	16/01/2022	$0.020	-	15,000,000	-	-	15,000,000
			500,000	15,000,000	-	-	15,500,000

* On 17 January 2018, the Consolidated Entity issued 15,000,000 class J director incentive options to Guy Maine. The plan was valued at $121,260, using Binomial Valuation method. As at 30 June 2018, $39,857 had been recognised as share-based payments.

Valuation of options granted during FY19

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date
27/11/2018	26/11/2022	$0.817	$1.190	100.00%	2.09%	$0.475

Employee performance rights plan

The Consolidated Entity provides ownership-based remuneration schemes to executive directors, nominated employees and key management personnel. For the year ended 30 June 2019 $1,698,836 has been recognised as a share based payment expense in relation to performance rights of employees. Set out below are those performance rights outstanding at the end of the financial year.

2019

Class	Grant date	Expiry date	Exercise price*	Balance at the start of the year	Granted	Share Consolidation*	Expired/ forfeited/ other	Balance at the end of the year
Class A	01/07/2016	01/07/2020	$0.85	2,233,084	-	(1,904,683)	-	328,401
Class E	20/07/2018	20/10/2019	-	-	15,301,277	(13,051,079)	-	2,250,198
Class F**	27/05/2019	05/11/2020	-	-	110,000	-	-	110,000
				2,233,084	15,411,277	(14,955,762)	-	2,688,599

* Share consolidation adjustment on a 100 to 680 basis.
** Unlisted Class F performance rights were issued to Mr Darren Knihnicki (CCO) on 5 August 2019. Under IG4, which is set out in the Appendix to AASB 2 Share Based Payments, the service commencement date of these performance rights was deemed to be 27 May 2019.

Note 33. Share-based payments (continued)

2018 Class	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Expired/ forfeited/ other	Balance at the end of the year
Class A	01/07/2016	01/07/2020	$0.125	2,424,313	-	(191,229)	2,233,084

Restricted Share Units

The Consolidated Entity issued 1,073,000 Unlisted Restricted Share Units ("RSUs") under the Company's 2019 Restricted Share Units Plan to US Employees of the Company. Each RSU will vest and convert into one Fully Paid Ordinary Share for nil cash consideration on or after 8 March 2020 (“Vesting Date”), provided the holder remains employed by the Company on Vesting Date.

$615,314 of share based payment expense was recorded in relation to RSU for the financial year 30 June 2019.

Reconciliation of share based payments expense recorded in the statement of profit and loss relating to each class of share based payment:

	Consolidated	
	2019 $	2018 $
Performance rights payment	1,698,836	24,840
Restrictive Share Units issued to BidEnergy Inc. employees	615,314	-
Options payment to Directors	225,964	42,416
Options payment to Advisors	-	264,417
Total share-based payments expense	2,540,114	331,673

Note 34. Funds held in trust

The Company holds funds and pays utility bills on behalf of its clients. As at 30 June 2019 the amount held on trust was $1,179,974 (2018: $904,756).

BidEnergy Limited
Directors' declaration
30 June 2019

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

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

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors

Andrew Dyer
Non-Executive Chairman

26 September 2019

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of BidEnergy Limited

Opinion

We have audited the financial report of BidEnergy Limited (the Company) and its Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the 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 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:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) 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.

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 of the current period. 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 Matters (continued.)

Key Audit Matter	How our audit addressed this matter
Capitalisation of Software Development Costs Refer to Note 14 in the financial statements	
At 30 June 2019, the Group's balance sheet includes capitalised software development costs of $2.2 million, of which $0.6 million has been capitalised during the financial year. The calculation of the software development costs involves significant judgement in respect of factors such as, probability of future economic benefits and accuracy of inputs such as wage rate and overhead calculations. We identified this as a key audit matter due to the judgement involved in capitalising software development costs, in particular when capitalising wages and overheads.	Our audit procedures in relation to capitalised research and development included: • Challenged management on the basis for capitalisation and expected future benefit from a sample of projects; • Reviewed projects for any indicators of impairment; • Reviewed completed projects previously capitalised and obtained an update on the status of projects from management review of sales projected during the current year; • Assessed the costs capitalised on a sample basis to determine whether they meet the definition of development activity and are correctly treated; • Reviewed a sample of costs which were expensed in the year to identify if these were eligible for capitalisation; • Reviewed wage rates used in capitalisation; and • Agreed overhead expense percentages.
Impairment of goodwill and intangible assets Refer to Note 14 in the financial statements	
The Group has net book value goodwill of $0.7 million in respect of the acquisitions of subsidiaries and $1.5 million of other intangible assets as at 30 June 2019. We identified this area as a Key Audit Matter due to the size of the balance, and because the directors' assessment of the 'value in use' of the cash generating unit's ("CGU's") involves significant judgements about the future underlying cash flows of the business, discount rates and terminal growth applied. For the year ended 30 June 2019 management performed an impairment assessment of the goodwill and intangible assets balance by: • Calculating the value in use for the CGU's using a discounted cash flow model. The model used cash flows (revenues, expenses and capital expenditure) for the CGU's for 5 years, with a terminal growth rate applied to the 5th year. The cash flows were then discounted to net present value using the Company's weighted average cost of capital (WACC); and • Comparing the resulting value in use of the CGU to its respective book value. Management also performed a sensitivity analysis of the value in use calculations, by varying the WACC and other assumptions.	Our audit procedures in relation to management's impairment assessment involved the assistance of our Corporate Finance team where required, and included: • Assessing management's determination that the goodwill and intangible assets should be allocated to two CGU's based on the nature of the Group's business and the manner in which results are monitored and reported; • Assessing the valuation methodology used; • Challenging the reasonableness of key assumptions, including the cash flow projections, exchange rates, discount rates, and sensitivities used; and • Checking the mathematical accuracy of the cash flow model, and reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.

Key Audit Matters (continued.)

Key Audit Matter	How our audit addressed this matter
Valuation of performance rights and options Refer to Note 33 in the financial statements	
During the year, the Group entered into the following share-based payment arrangements: • the issue of 15,301,277 Class E Performance Rights to employees through the Employee Share Option Plan; • the issue of 8,000,000 Class K Options to Directors; • the issue of 1,073,000 Unlisted Restricted Share Units to US employees; and • the issue of 110,000 Performance Rights to an employee. Management have accounted for these arrangements in accordance with AASB 2 Share-Based Payments. We consider this to be a key audit matter because of the complexity of the accounting required to value the instruments and the judgmental nature of inputs into the valuation models, including the likelihood of vesting conditions being met, and the appropriate valuation methodology to apply.	Our audit procedures in relation to valuation of performance rights and options included: • Assessed the valuation methodology used; • Reviewed the inputs used by management in the option valuation model to ensure they are appropriate; • Assessed the valuation of options and performance rights against the requirements of *AASB 2 Share-based payment*; and • Reviewed management's assessment of the probability of vesting conditions being met to ensure their assessment is appropriate.

Other Information

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 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of BidEnergy Limited., for the year ended 30 June 2019, complies with section 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 section 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.

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 26 September 2019
Melbourne, Victoria

Shareholder Information

The shareholder information set out below was applicable as at 2 September 2019.

1. Quotation

Listed securities in BidEnergy Limited are quoted on the Australian Securities Exchange under ASX code BID (Fully Paid Ordinary Shares).

2. Voting Rights

The voting rights attached to the Fully Paid Ordinary shares of the Company are:

(a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

(b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

There are no voting rights attached to any Options or Performance Rights on issue.

3. Distribution of Shareholders

i) Fully Paid Ordinary Shares

Shares Range	Holders	Units	%
1 – 1,000	508	230,767	0.20
1,001 – 5,000	518	1,386,874	1.20
5,001 – 10,000	274	2,091,857	1.81
10,001 – 100,000	566	19,311,359	16.72
100,001 and above	132	92,445,200	80.06
Total	**1,998**	**115,466,057**	**100.00%**

On 2 September 2019, there were 395 holders of unmarketable parcels of less than 127,079 ordinary shares (based on the closing share price of $0.6750).

ii) Unlisted Restricted Share Units vesting 8 March 2020

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	10	740,000	68.97

100,001 and above	3	333,000	31.03
Total	**13**	**1,073,000[1]**	**100.00%**

[1]There are no holders who hold more than 20% of securities.

iii) Class A Performance Rights

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	2	10,378	3.16
10,001 – 100,000	8	194,104	59.11
100,001 and above	1	123,919[1]	37.73
Total	**11**	**328,401**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Jimmy Harjadi – 123,919 performance rights

iv) Class E Performance Rights

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	3	256,505	46.22
100,001 and above	2	298,421[1]	53.78
Total	**5**	**554,926**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Ms Justine Anne Kelly – 184,416 performance rights
Ms Carolyn Palmer – 114,005 performance rights

v) Class F Performance Rights

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-

100,001 and above	1	110,000[1]	100.00
Total	**1**	**110,000**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Ms Claire Knihnicki – 110,000 performance rights

vi) Class E Options exercisable at $0.476 on or before 24 November 2021

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	1	94,578	16.67
100,001 and above	2	472,896[1]	83.33
Total	**3**	**567,474**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Merrill Lynch (Australia) Nominees Pty Limited – 283,737 options
Mr Douglas A Bloom – 189,159 options

vii) Class F Options exercisable at $0.68 on or before 28 July 2020

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	1	73,530[1]	100.00
100,001 and above	-	-	-
Total	**1**	**73,530**	**100.00%**

[1]Holders who hold more than 20% of securities are:
L Graham Trustees Ltd + Erca Trustees (LG) Ltd <L Graham A/C> – 73,530 options

viii) Class G Options exercisable at $0.204 on or before 31 December 2020

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-

100,001 and above	1	882,353[1]	100.00
Total	**1**	**882,353**	**100.00%**

[1]Holders who hold more than 20% of securities are:
CG Nominees (Australia) Pty Ltd – 882,353 options

ix) Class H Options exercisable at $0.306 on or before 31 December 2020

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	882,353[1]	100.00
Total	**1**	**882,353**	**100.00%**

[1]Holders who hold more than 20% of securities are:
CG Nominees (Australia) Pty Ltd – 882,353 options

x) Class I Options exercisable at $0.408 on or before 31 December 2020

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	1,250,000[1]	100.00
Total	**1**	**1,250,000**	**100.00%**

[1]Holders who hold more than 20% of securities are:
CG Nominees (Australia) Pty Ltd – 1,250,000 options

xi) Class J Options exercisable at $0.136 on or before 16 January 2022

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-

100,001 and above	1	2,205,883[1]	100.00
Total	**1**	**2,205,883**	**100.00%**

[1]Holders who hold more than 20% of securities are:
3XC Pty Ltd <Maine Family A/C> – 2,205,883 options

xii) Class K Options exercisable at $1.19 on or before 26 November 2022

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	2	588,236[1]	100.00
Total	**2**	588,236	**100.00%**

[1]Holders who hold more than 20% of securities are:
Mr Andrew David Dyer - 294,118 options
L Graham Trustees Limited + Erca Trustees LG Limited <L Graham A/C> - 294,118 options

4. Substantial Shareholders

The names of the substantial shareholders listed on the Company's register as at 2 September 2019:

Name: Auction Design Pty Ltd <Du Preez Family A/C>
Holder of: 34,483,519 fully paid ordinary shares, representing 10.74% as at 1 July 2016
Notice Received: 5 July 2016

Name: Blue Lagoon International Corporation
Holder of: 52,766,975 fully paid ordinary shares, representing 8.18% as at 8 August 2017
Notice Received: 14 August 2017

Name: Merriwee Pty Ltd <Merriwee Super Fund A/C>
Holder of: 42,500,000 fully paid ordinary shares, representing 5.74% as at 22 June 2018
Notice Received: 26 June 2018

Name: TIGA Trading Pty Ltd and associated entities
Holder of: 6,442,324 fully paid ordinary shares, representing 5.85% as at 1 May 2019
Notice Received: 3 May 2019

5. Restricted Securities

The restricted securities listed on the Company's register as at 2 September 2019 are:

112,566 Fully Paid Ordinary Shares escrowed to 10/05/2020

6. On market buy-back

There is currently no on market buy back in place.

7. Twenty Largest Shareholders

The twenty largest shareholders of the Company’s quoted securities as at 2 September 2019 are as follows:

	Name	No. of Shares	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,223,875	9.72
2	UBS NOMINEES PTY LTD	7,279,381	6.30
3	CITICORP NOMINEES PTY LIMITED	6,900,773	5.98
4	AUCTION DESIGN PTY LTD <DU PREEZ FAMILY A/C>	6,833,684	5.92
5	BLUE LAGOON INTERNATIONAL CORPORATION	5,824,545	5.04
6	CAROLYN PALMER	2,887,472	2.50
7	BLUE LAGOON INTERNATIONAL CORPORATION	2,797,666	2.42
8	ALLINSON TRAUTS PTY LTD <ALLINSON FAMILY A/C>	2,340,957	2.03
9	CREGAN HOLDINGS PTY LTD <T & D CREGAN SUPER A/C>	1,988,236	1.72
10	G4 INVESTORS PTY LTD <G4 INVESTORS A/C>	1,819,746	1.58
11	NAILO PTY LTD	1,604,152	1.39
12	EMHAL PTY LTD	1,500,000	1.30
13	SAPEAME PTY LTD <CROWE GRILLD NO 2 FAMILY A/C>	1,328,373	1.15
14	RJIR PTY LTD	1,328,169	1.15
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,315,540	1.14
16	CAPITAL ACCRETION PTY LTD <THE FORTIFIED VALUE A/C>	1,176,471	1.02
17	MRS IVONNE VONNY SOBIRIN-WENAS	1,086,496	0.94
18	CG NOMINEES (AUSTRALIA) PTY LTD	1,078,664	0.93
19	CASSA TRADING PTY LTD <CASSA TRADING A/C>	904,523	0.78
20	LSF 2000 PTY LTD <LUDSKI SUPER FUND A/C>	900,000	0.78
	Total	**62,118,723**	**53.80%**