

**Vizstone Pty Limited**

**ABN 24 140 156 592**

**Interim Financial Report - 31 December 2020**

**Vizstone Pty Limited**  
**Directors' report**  
**31 December 2020**

The directors present their report, together with the financial statements, on Vizstone Pty Ltd (the company) for the half-year ended 31 December 2020.

**Directors**

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

Kathryn Soares  
Ben Chan

**Principal activities**

During the financial half-year the principal continuing activities of the company consisted of the provision of tailored IT solutions and managed services.

**Review of operations**

The loss for the period after providing for income tax amounted to \$191,925 (31 December 2019: loss of \$257,924).

**Significant changes in the state of affairs**

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

**Matters subsequent to the end of the period**

No matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

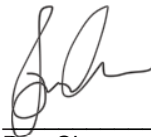
This report is made in accordance with a resolution of directors.

On behalf of the directors



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Kathryn Soares  
Director



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Ben Chan  
Director

**26 July 2021**

**Vizstone Pty Limited****Contents****31 December 2020**

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**General information**

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

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

**Registered office**

Freedom Accounting  
Suite 2, 181 Main Street  
Osborne Park WA 6017

**Principal place of business**

Suite 1125/ Level 11 Brookfield Place  
125 St Georges Tce  
Perth WA 6000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 July 2021.

**Vizstone Pty Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2020**

	<b>Note</b>	<b>31 December 2020 \$</b>	<b>31 December 2019 \$</b>
<b>Revenue</b>	2	2,014,910	2,462,749
Other income	3	188,500	-
Interest revenue		741	-
<b>Expenses</b>			
Employee benefits expense		(1,030,188)	(623,146)
Marketing expenses		(4,841)	(1,889)
Cost of sales		(1,162,376)	(1,797,555)
Occupancy		(15,653)	(31,999)
Administration		(42,000)	(71,402)
Other expenses		(130,178)	(164,326)
Finance costs		(10,839)	(30,358)
<b>Profit/(loss) before income tax expense</b>		(191,925)	(257,924)
Income tax expense		-	-
<b>Profit/(loss) after income tax expense for the half-year</b>		(191,925)	(257,924)
Other comprehensive income for the half-year		-	-
<b>Total comprehensive income for the half-year</b>		<u>(191,925)</u>	<u>(257,924)</u>

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

**Vizstone Pty Limited**  
**Statement of financial position**  
**As at 31 December 2020**

	Note	31 December 2020 \$	30 June 2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	71,216	55,548
Trade and other receivables	5	381,129	766,824
Total current assets		<u>452,345</u>	<u>822,372</u>
<b>Non-current assets</b>			
Other		200	10,200
Total non-current assets		<u>200</u>	<u>10,200</u>
<b>Total assets</b>		<u>452,545</u>	<u>832,572</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	1,093,425	1,181,911
Borrowings		56,723	60,614
Employee benefits		194,040	186,136
Total current liabilities		<u>1,344,188</u>	<u>1,428,661</u>
<b>Non-current liabilities</b>			
Borrowings		<u>176,183</u>	<u>279,812</u>
<b>Total liabilities</b>		<u>1,520,371</u>	<u>1,708,473</u>
<b>Net assets</b>		<u>(1,067,826)</u>	<u>(875,901)</u>
<b>Equity</b>			
Issued capital	8	11,850	11,850
Retained profits		<u>(1,079,676)</u>	<u>(887,751)</u>
<b>Total equity</b>		<u>(1,067,826)</u>	<u>(875,901)</u>

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

**Vizstone Pty Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2020**

	<b>Issued capital \$</b>	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 July 2019	11,850	(829,733)	(817,883)
Loss after income tax expense for the half-year	-	(257,923)	(257,923)
Other comprehensive income for the half-year	-	-	-
Balance at 31 December 2019	<u>11,850</u>	<u>(1,087,656)</u>	<u>(1,075,806)</u>
	<b>Issued capital \$</b>	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 July 2020	11,850	(887,751)	(875,901)
Loss after income tax expense for the half-year	-	(191,925)	(191,925)
Other comprehensive income for the half-year	-	-	-
Balance at 31 December 2020	<u>11,850</u>	<u>(1,079,676)</u>	<u>(1,067,826)</u>

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

**Vizstone Pty Limited**  
**Statement of cash flows**  
**For the half-year ended 31 December 2020**

	<b>Note</b>	<b>31 December 2020 \$</b>	<b>31 December 2019 \$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		2,224,803	2,817,895
Payments to suppliers and employees (inclusive of GST)		<u>(2,359,774)</u>	<u>(2,700,997)</u>
		(134,971)	116,898
Cash flow boost		50,000	-
Jobkeeper payments		219,000	-
Interest paid		<u>(10,839)</u>	<u>(30,358)</u>
Net cash from/(used in) operating activities		<u>123,190</u>	<u>86,540</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		-	-
Net cash used in investing activities		-	-
<b>Cash flows from financing activities</b>			
Net repayment of borrowings		<u>(107,522)</u>	<u>(87,085)</u>
Net cash used in financing activities		<u>(107,522)</u>	<u>(87,085)</u>
Net increase/(decrease) in cash and cash equivalents		15,668	(545)
Cash and cash equivalents at the beginning of the financial half-year		<u>55,548</u>	<u>44,813</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>71,216</u></u>	<u><u>44,268</u></u>

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

**Vizstone Pty Limited**  
**Notes to the financial statements**  
**31 December 2020**

**Note 1. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the needs of the members. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**Going concern**

For the half-year ended 31 December 2020, the Company recorded a loss of \$191,925 (half-year ended 31 December 2019: \$257,923 loss) and an operating cash inflows of \$123,190 (half-year ended 31 December 2019: \$86,540 inflow). At 31 December 2020, the Company had a working capital deficit of \$893,800 (30 June 2020: 608,246 deficit) and a net liability position of \$1,067,826 (30 June 2020: \$875,901 net liability).

These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, however notwithstanding this the accounts have been prepared on a going concern basis.

On 2 February 2020, Vizstone Pty Ltd entered into an agreement with ActivePort Group Limited for ActivePort Group Limited to acquire all of the ordinary share capital of the Company by way of a share swap arrangement and to inject working capital into the Company. The acquisition is subject to ActivePort Group Limited being admitted to the official list of the Australian Securities Exchange Limited, which is expected to occur in August 2021. Should this acquisition not eventuate then the Company may not be considered a going concern.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

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

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('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 adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

**Note 2. Revenue**

	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
<b><i>Revenue from contracts with customers</i></b>		
Sales of goods	794,405	842,138
Rendering of services	1,220,505	1,620,611
	<u>2,014,910</u>	<u>2,462,769</u>



**Vizstone Pty Limited**  
**Notes to the financial statements**  
**31 December 2020**

**Note 3. Other income**

	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Jobkeeper payments	171,000	-
Cash flow boost	17,500	-
	<u>188,500</u>	<u>-</u>

**Note 4. Current assets - cash and cash equivalents**

	<b>31 December 2020</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	71,216	55,548
	<u>71,216</u>	<u>55,548</u>

**Note 5. Current assets - trade and other receivables**

	<b>31 December 2020</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	332,410	583,718
Expected credit losses	(36,387)	-
	<u>296,023</u>	<u>583,718</u>
Related party loan – Vizstone Holdings Pty Ltd	47,065	47,065
Related party loan – Chan FT	36,084	36,084
Government grants receivable	-	98,000
Other	1,957	1,957
	<u>381,129</u>	<u>766,824</u>

**Note 6. Current liabilities - trade and other payables**

	<b>31 December 2020</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Trade payables	581,443	600,774
Payroll tax payable	(889)	4,111
GST payable	187,930	134,518
PAYG payable	283,713	245,755
Deferred revenue	-	156,263
Superannuation payable	41,228	37,393
Other payables	-	3,097
	<u>1,093,425</u>	<u>1,181,911</u>

**Vizstone Pty Limited**  
**Notes to the financial statements**  
**31 December 2020**

**Note 7. Equity - issued capital**

	<b>31 Dec 2020</b>	<b>30 June 2020</b>	<b>31 Dec 2020</b>	<b>30 June 2020</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>2,370</u>	<u>2,370</u>	<u>11,850</u>	<u>11,850</u>

*Ordinary shares*

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

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

**Note 8. Contingent assets and liabilities**

There were no contingent assets or liabilities at the reporting date (half-year ended 31 December 2019: nil).

**Note 9. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Vizstone Pty Limited**  
**Directors' declaration**  
**31 December 2020**

In the directors' opinion:

- the attached financial statements and notes comply with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and other professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors



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Kathryn Soares  
Director

26 July 2021



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Ben Chan  
Director

**26 July 2021**

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Vizstone Pty Ltd

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Vizstone Pty Ltd (the Company), which comprises the condensed statement of financial position as at 31 December 2020, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Vizstone Pty Ltd does not comply with the Australian Accounting Standards including:

- (a) giving a true and fair view of the Vizstone Pty Ltd's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual 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 review report.

#### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist Vizstone Pty Ltd to comply with the financial reporting needs of the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the interim financial report, which indicates that the Company incurred a net loss of \$191,925 and incurred net operating cash inflows of \$123,190 during the half-year ended 31 December 2020 and, as of that date, the Company's total liabilities exceeded its total assets by \$1,067,826. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Responsibility of the Directors for the Financial Report**

The directors of the Vizstone Pty Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with Australian Accounting Standards including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Nexia Perth Audit Services Pty Ltd**



**M. Janse Van Nieuwenhuizen CA RCA**  
**Director**

27 July 2021  
Perth, Western Australia

