

**Bridge SaaS Limited**  
**(formerly JN Solutions Australia Pty Ltd)**

**ABN 14 130 148 560**

**Financial Report**  
**for the year ended 30 June 2020**

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# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Directors' Report**

**30 June 2020**

### **Director's Report**

#### **Directors**

The following persons were directors of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) during the whole financial year and up to the date this financial report was authorised for issue, unless where otherwise stated:

Rupert Taylor-Price

Jamie Conyngham (appointed 4 April 2022)

Hannah Cabatit (appointed 4 April 2022)

Non-Executive Director and Chairperson

Executive Director and Chief Executive Officer

Non-Executive Director

#### **Company Secretary**

Mark O'Hare (resigned 16 February 2022)

Hannah Cabatit (appointed 16 February 2022)

#### **Principal activities**

The company provides integrated client management software solutions to service providers operating within government-funded programs. The core 'Bridge' product is currently accredited to work with a number of government programs in Australia. The Company's products are enterprise-grade and built for medium service providers.

#### **Review of operations**

The company reported a profit after tax of \$785,463 for the year (2019: loss of \$813,889), with continued strong sales revenue of \$2,333,582 in the year (2019: \$2,153,794). Cost control and a reduction in hosting expenses and employee expenses (which were capitalised on R&D projects) drove the improved result. Software development expenditure of \$673,936 (2019: \$592,515) relating to the enhancement of existing products has been capitalised as an intangible asset and amortised over its useful life. The company also qualified for some COVID19 support in the form of a Cashflow boost and JobKeeper initiatives during the year.

#### **Significant changes during the year**

There have been no significant changes in the state of affairs of the Company during the year.

#### **Matters or circumstances arising after the end of the year**

The company has commenced a capital raising process and intends to list on the Australian Stock Exchange. As such, the company entered into an agreement with ARQ Capital Pty Ltd to provide facilitation services in relation to pre-IPO and IPO matters on an exclusive basis. The capital raising includes:

- At-Risk Convertible Note raising of \$111,922 (completed on 23 December 2021 to fund the raising);
- Seed Raising of \$750,000 from the issue of ordinary shares; and
- \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

The At-Risk Convertible Note raising allows the holders to receive 10,659,240 ordinary shares at a price of \$0.0105 on admission to the Official List of ASX on or before 31 July 2022. Redemption of the notes at \$1 per holder occurs at 31 July 2022 and early redemption if the ASX does not approve the In-Principle Application and the company decides to not resubmit an amended application. The company CEO participated in 7.0% of the Notes. Related parties of service providers for the proposed IPO participated in 60.3% of the Notes.

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Directors' Report

30 June 2020

The proposed Seed Raising is contingent on the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice. The \$750,000 will be 4,687,500 ordinary shares at \$0.16 per share. The company has engaged service providers to assist with the listing process. The company appointed Baker Young as Lead Manager and Broker, Nova Legal as Corporate Lawyer and Mirador Corporate as Company Secretary. The company has received positive feedback from the ASX on its In-Principle application and written feedback is pending receipt of the audited financial statements of the most recent financial periods.

The contract with Baker Young for its services as Lead Manager includes options as fees. The terms for these options are 2 million options with an exercise price of 25 cents per share, a three-year exercise period and an escrow period of 24 months. These options were valued at \$175,000.

On 10 February 2022, the company's shareholders approved that:

- The name of the company be changed to Bridge SaaS Limited.
- The company subdivide the issued share capital of the company on the basis that every one share be subdivided into 21,796.7732 shares, resulting in the number of shares on issue to increase from 1.455 to 31,714,306.
- The company change from a proprietary company limited by shares to a public company limited by shares.
- The company adopt a new Constitution.

On 16 February 2022 Mark O'Hare resigned as Company Secretary.

On 16 February 2022 Hannah Cabatit was appointed Company Secretary.

On 4 April 2022 Jamie Conyngham and Hannah Cabatit were appointed as directors of the company.

The company won a new customer contract with a minimum annual value of \$360,000 to \$400,000.

### Likely developments and expected results of operations

The business continues to seek growth opportunities and has a strategy to invest in technology and the development of its software offering to attract new customers and increase revenues. The company is currently undertaking pre-IPO funding rounds and is looking to expand into both overseas markets and adjacent market segments.

### Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

### Information on directors

The following information is current as at the date of this report:

Rupert Taylor-Price

Qualifications Bachelor of Physics (Hons) from the University of Southampton

Experience Mr Taylor- Price is the founder and CEO of Vault Cloud - Secure, Sovereign Community Cloud for Government and Critical Infrastructure. He has a long history of handling sensitive data, stemming from his eight years as Chief Executive Officer at JN Solutions.

While at JN Solutions, Mr Taylor- Price developed a world-leading SaaS (Software as a Service) Information Management Platform for the Australian Government, which provided extensive support to the community services sector. He is an active member of the NSW Sovereign Procurement Task Force that diversifies the state's IT supplier ecosystem and boosts participation levels from innovative local IT small and medium enterprises to build sovereign capabilities. He is also the Chair of AIIA Domestic Capabilities Policy Advisory Network and Policy Advisory Leadership Team.

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Directors' Report

30 June 2020

Jamie Conyngham

**Qualifications** Diploma of Law (SAB) from The University of Sydney and is a qualified lawyer in NSW. He also qualified as an affiliate for the Securities Institute of Australia (SIA) now FINSIA.

**Experience** Jamie is an experienced international CEO, specialising in fast growth technology companies. Jamie joined Bridge in December 2019 to drive the growth of the business and brings more than twenty years' experience as a founder and senior executive of technology companies in the United Kingdom and Australia.

Jamie has successfully created and launched products on a global scale and has experience in establishing international operations. He has worked across a range of businesses, from start-ups to blue-chip companies. Jamie has delivered strong organic growth and also brings experience with mergers and acquisitions. He has completed capital raisings in eight different countries.

Jamie serves as an advisor to the Digital Community of Interest (DCI) group for the National Disability and Insurance Scheme (NDIS), which advises NDIS on future and current technologies. Jamie is also a director of the New South Wales branch of the Australian Information Industry Association (AIIA) and a member of the Tech Council of Australia.

Hannah Cabatit

**Qualifications** Bachelor of Science in Accountancy, Certified Practicing Accountant

**Experience** Ms Cabatit is an employee of Mirador Corporate where she specializes in statutory financial reporting and company secretarial services. Hannah is a Certified Practicing Accountant and has 20 years of commercial experience in Australia and the Philippines, with 8 years' experience in senior accounting roles and compliance services for public listed and unlisted companies. She has acted as Financial Controller and provided company secretarial services to a number of small-cap ASX listed entities.

### Company Secretary

Hannah Cabatit Refer above

Mark O'Hare

**Qualifications** Bachelor's in Economics, Graduate Diploma in Chartered Accounting (GradDipCA), Diploma in Financial Planning, registered tax agent and ASIC agent for company secretarial services.

**Experience** Mr O'Hare has over 25 years professional experience, providing big 4 accounting, tax and financial advice to business clients. He has held CFO and other leadership roles for multinational businesses and is experienced in implementing systems supporting rigorous commercial process and reliable financial reporting.

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Directors' Report

30 June 2020

### Meetings of directors

The numbers of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2020, and the numbers of meetings attended by each director were:

	Board meetings	
	A	B
Rupert Taylor-Price	7	7

A: Number of meetings held during the period.

B: Number of meetings attended during the period.

### Shares under option

Unissued ordinary shares of Bridge SaaS Limited under option at 30 June 2020 are as follows:

Grant date	Expiry date	Exercise price	Number under option
9 December 2019	9 December 2022	\$0.01	63

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

Grant date	Expiry date	Exercise price	Number under option
9 December 2019	9 December 2022	\$0.01	27

### Shares issued on the exercise of options

The following ordinary shares of Bridge SaaS Limited were issued during the year ended 30 June 2020 on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
9 December 2019	\$0.01	-

The following ordinary shares of Bridge SaaS Limited were issued up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
9 December 2019	\$0.01	27

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Directors' Report

30 June 2020

### Insurance of officers and Indemnification

The company does not have Directors & Officers indemnity insurance and has not issued any indemnities to Directors or officers.

### Indemnity and insurance of auditor

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

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

### Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

### Non-audit services

RSM Australia Pty Ltd are the auditors for the company. RSM Australia Pty Ltd were appointed after the financial year. During the financial year, RSM Australia provided tax advice amounting to \$28,950 (2019: \$nil).

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 will be inserted on completion of the audit of the financial statements. As such, a placeholder has been left for this declaration on page 4 of the financial report.

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

*Rupert Taylor-Price*

Director: .....  
Rupert Taylor-Price (May 20, 2022 18:09 GMT+10)

Dated 18 May 2022

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) for the year ended 30 June 2020, 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 AUSTRALIA PARTNERS**



**David Talbot**  
Partner

Sydney, NSW  
Dated: 18 May 2022



## General information

The financial statements of Bridge SaaS Limited are presented in Australian dollars, which is Bridge SaaS Limited's functional and presentation currency.

Bridge SaaS Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

### Registered office

Suite 3 Level 1  
12-26 Argyle Street  
The Rocks  
Sydney NSW 2000

### Principal place of business

Suite 3 Level 1  
12-26 Argyle Street  
The Rocks  
Sydney NSW 2000

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 18 May 2022. The directors have the power to amend and reissue the financial statements.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2020**

		<b>2020</b>	<b>2019</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Sales revenue		2,333,582	2,153,794
Other income		418,087	540,921
	<b>4</b>	<b>2,751,669</b>	<b>2,694,715</b>
Finance income		1,824	30,872
Employee benefits expense		(484,636)	(1,525,955)
Depreciation and amortisation	<b>5</b>	(192,196)	(83,759)
Hosting (Data Centre & Networks)		(693,468)	(1,435,701)
Sales and marketing		(18,236)	(14,931)
Other expenses	<b>5</b>	(251,349)	(531,286)
Finance costs		(142)	(1,343)
Share incentive expense	<b>16</b>	(17,224)	-
<b>Profit / (loss) before income tax</b>		<b>1,096,242</b>	<b>(867,388)</b>
Income tax (expense) / benefit	<b>6</b>	(310,779)	53,499
<b>Profit / (loss) after tax</b>		<b>785,463</b>	<b>(813,889)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>785,463</b>	<b>(813,889)</b>

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Financial Position**  
**As at 30 June 2020**

		30 Jun 2020	30 Jun 2019
	Note	\$	\$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	1,588,413	134,270
Trade and other receivables	8	845,032	1,014,310
Income tax receivables		-	168,816
Other	9	-	187,942
TOTAL CURRENT ASSETS		2,433,445	1,505,338
NON-CURRENT ASSETS			
Property, plant and equipment	10	9,412	98,206
Intangible assets	11	1,021,029	532,912
Deferred tax assets	6	128,089	70,617
TOTAL NON-CURRENT ASSETS		1,158,530	701,735
TOTAL ASSETS		3,591,975	2,207,073
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	12	946,981	807,351
Contract liabilities	13	351,596	75,257
Employee benefits	14	101,674	136,827
Income tax payables		199,434	-
TOTAL CURRENT LIABILITIES		1,599,685	1,019,435
NON-CURRENT LIABILITIES			
Employee benefits	14	16,011	14,046
TOTAL NON-CURRENT LIABILITIES		16,011	14,046
TOTAL LIABILITIES		1,615,696	1,033,481
NET ASSETS		1,976,279	1,173,592
<b>EQUITY</b>			
Issued capital	15	201,876	201,876
Reserves	16	17,224	-
Retained earnings		1,757,179	971,716
TOTAL EQUITY		1,976,279	1,173,592

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2020**

	Note	Ordinary Shares	Retained earnings	Share based payments reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2019</b>		<b>201,876</b>	<b>971,716</b>	<b>-</b>	<b>1,173,592</b>
Profit for the Year		-	785,463	-	785,463
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>785,463</b>	<b>-</b>	<b>785,463</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of rights to shares for employees for service (note 16)		-	-	17,224	17,224
Conversion of share options to ordinary shares		-	-	-	-
		-	-	17,224	17,224
<b>Balance at 30 June 2020</b>		<b>201,876</b>	<b>1,757,179</b>	<b>17,224</b>	<b>1,976,279</b>

	Note	Ordinary Shares	Retained earnings	Share based payments reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2018</b>		<b>201,876</b>	<b>1,785,605</b>	<b>-</b>	<b>1,987,481</b>
Loss for the Year		-	(813,889)	-	(813,889)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(813,889)</b>	<b>-</b>	<b>(813,889)</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of rights to shares for employees for service		-	-	-	-
Conversion of share options to ordinary shares		-	-	-	-
		-	-	-	-
<b>Balance at 30 June 2019</b>		<b>201,876</b>	<b>971,716</b>	<b>-</b>	<b>1,173,592</b>

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Cash Flows**  
**For the year ended 30 June 2020**

	Note	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers (inclusive of GST)		2,764,563	2,515,626
Government grants received		962,652	1,050,163
Payments to suppliers and employees (inclusive of GST)		(1,510,722)	(3,445,790)
Interest received		1,824	80,007
Interest paid		(142)	(1,343)
Income tax paid/refunded		(1)	(105,884)
Net cash provided by operating activities	20	<u>2,218,174</u>	<u>92,779</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payment for plant and equipment		(1,708)	(1)
Proceeds from the sale of plant and equipment		72,728	-
Release of deposits for rental leases and bonds		135,376	688,415
Payment for software development		<u>(970,427)</u>	<u>(961,748)</u>
Net cash used in investing activities		<u>(764,031)</u>	<u>(273,334)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net cash provided by/(used in) financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held		1,454,143	(180,555)
Cash and cash equivalents at beginning of year		<u>134,270</u>	<u>314,825</u>
Cash and cash equivalents at end of financial year	7	<u>1,588,413</u>	<u>134,270</u>

*The accompanying notes are an integral part of these financial statements.*

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

### For the year ended 30 June 2020

#### 1. Summary of 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.

##### a) 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.

##### *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 2.

##### *Going Concern*

As disclosed in the financial statements, the Company is reliant on its ability to raise capital in the future in order to continue as a going concern.

The Directors believe that there are reasonable grounds to believe that the company will be able to continue as a going concern, after consideration of the following factors:

- The company has prepared detailed budgets and cash flow forecasts to June 2023 which show that the group will continue as a going concern.
- Furthermore, the directors regularly monitor the company's cash position and, on an on-going basis, consider strategic and operational plans to ensure that adequate funding continues to be available for the company to meet its liquidity requirement.
- The company intends to raise \$750,000 of Seed Raising upon the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice.
- The company intends to raise \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Notes to the Financial Statements**

### **For the year ended 30 June 2020**

#### **b) Revenue recognition**

The company has adopted AASB15 which establishes new principles of reporting revenue, whilst taking into account the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer and includes a five step recognition model to determine revenue recognition.

AASB 15 requires identification of discrete performance obligations within a transaction or agreement and an associated transaction price allocation to each of these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of the goods or services are transferred to the customer.

Determining the timing of the transfer of control, at a point in time or over time, requires judgement. AASB 15 specifically excludes financial instruments recognised under AASB 9 Financial Instruments.

Details on how the company has treated each source of revenue under AASB 15 is included below:

#### **Subscription revenue**

##### *Revenue from contracts with customers*

Revenue derived through licensing arrangements for customers who subscribe to the Company's operational platform (for the provision of Software-as-a-service) is recognised as performance obligations identified in the sales contract are satisfied. Related costs of the performance obligations are recognised on completion of the performance obligations. Costs arising from the incomplete performance obligations are capitalised into contract assets. Revenue invoiced for incomplete performance obligations is recognised as a contract liability in unearned revenue.

##### *Rendering of services*

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

##### *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.

##### *Other revenue*

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

#### **c) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2020**

##### **d) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset of liability in the Statement of Financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

##### **e) Income Tax**

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

##### **f) Financial instruments**

###### **AASB 9 Financial Instruments**

AASB 9 sets out requirements for recognising and measuring financial assets and financial liabilities.

###### **i. Classification and measurement of financial assets and financial liabilities**

Under AASB 9, on initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVTOCI) – debt investment; FVTOCI – equity investment; or fair value through profit or loss (FVTPL). The classification of financial assets under AASB 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.



# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

For the year ended 30 June 2020

### f) Financial instruments (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The following accounting policies apply to the subsequent measurement of financial assets held by the Company:

*Financial assets at amortised cost* - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

*Financial assets at FVTPL* - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

### Measurement categories of financial assets

For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)'. Cash and cash equivalents, Trade and other receivables, and Loans and advances that meets SPPI are classified and measured at amortised cost. Certain Loans and advances and other financial assets do not meet SPPI and are classified and measured at FVTPL. There were no changes in classification and measurements of the Company's financial assets.

### ii. Impairment of financial assets

The Company 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 Company'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.

### Measurement of Expected Credit Loss ("ECL")

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The simplified expected credit loss method is used.

### Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise of trade and other payables.

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

For the year ended 30 June 2020

### g) Property, plant and equipment

#### Recognition and measurement

Property, plant and equipment is carried at cost less accumulated depreciation and impairment. Cost equals the amount of cash or cash equivalents paid or the fair value of the other consideration given at acquisition date and includes expenditure that is directly attributable to the acquisition of the items and an estimate of future restoration costs specific to the asset.

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset is included in the statement of profit or loss in the period the item is derecognised.

#### Depreciation

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

Furniture and fixtures	7 years
Office equipment	3 years
Aeroplane	20 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

### h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### i) Intangible assets

#### Software Development costs

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets where the following criteria are met.

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell
- the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in the statement of profit or loss.

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Notes to the Financial Statements**

**For the year ended 30 June 2020**

### **i) Intangible assets (continued)**

#### **Research and development**

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

### **j) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

### **k) Employee benefits**

#### *Short-term employee benefits*

Liabilities for wages and salaries, including any 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.

#### *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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### **l) 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.

### **m) Contract liabilities**

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

### **n) Current and non-current classification**

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

### **n) Current and non-current classification (continued)**

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Notes to the Financial Statements**

### **For the year ended 30 June 2020**

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.

#### **o) 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 company 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

#### **p) Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

#### **q) 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.

#### *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 the 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.

#### **q) Issued capital (continued)**

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

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2020**

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 the 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 each 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.

## **2. 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.

### *Intangible assets – useful life*

Development costs capitalised are in relation to enhancing the functionality of existing software. As at 30 June 2020, the carrying amount of software was \$1.5 million (2019: \$0.9 million). The Company commenced capitalisation of costs in the 2019 financial year.

The company estimates the useful life of the software to be five years based on experience since incorporation, position in the market, and reliance on historical programming code. The useful life will be reviewed as market factors change.

### *Share-based payments – fair value estimation*

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2020**

The fair value is typically estimated using option valuation models, which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life. Typically, these inputs are difficult to estimate for the company given an inactive market for these instruments and the shares not traded on public markets. Refer to Note 16 Share based payments for further detail.

### **3. Changes in accounting policies and disclosures**

#### **a) New accounting standards and interpretations adopted during the year**

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.

##### **AASB 16 Leases**

During the period the company adopted AASB 16 *Leases*.

AASB 16 requires the identification and recording of Right-of-use assets for any lease agreements extending beyond 12 months which legally bind the company.

Under AASB 16, a right-of-use asset is recognised at the commencement date of a lease and is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

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

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

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

The adoption of AASB 16 *Leases* has had no material impact on the company's financial statements.

#### **b) New accounting standards and interpretations not yet adopted**

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

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)****Notes to the Financial Statements****For the year ended 30 June 2020**

The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**4. Sales Revenue and Other Income**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Subscription and licensing revenue (a)	2,332,332	2,153,794
Service fee income	1,250	-
Total Sales revenue	<b>2,333,582</b>	<b>2,153,794</b>
Government grant (b)	417,287	476,029
Other Income	800	64,892
Total Other income	<b>418,087</b>	<b>540,921</b>
<i>Timing of revenue recognition</i>		
Services transferred over time	2,333,582	2,153,794
<i>Geographical regions</i>		
Australia	2,333,582	2,153,794

**a) Subscription and licensing revenue**

Subscription and licensing revenue relates to revenue generated from the company's in-house developed software solution, Bridge. It is a government accredited operational platform that provides integrated client management solutions to service providers of numerous government-funded programs.

**b) Government Grant****i. JobKeeper Payment**

This program was intended to help keep more Australians in jobs and support businesses affected by the significant economic impact of COVID-19. The original JobKeeper was in place until 27 September 2020. On 21 July 2020, the government announced the extension of JobKeeper to 28 March 2021 at modified rates and eligibility. JobKeeper was either paid directly to stood down employees or subsidised the wages of those still working.

**ii. Cash flow boost**

The Cash Boost scheme provides eligible entities with additional cash flow as a reduction to their BAS account with the ATO. The grant is recognised as income when the company is reasonably assured that it will comply with the conditions attached to it and the grant will be received.

**iii. Research and development offset income**

The company undertakes eligible research and development (R&D) activities and is therefore entitled to claim an R&D offset under the R&D incentive as administered by the Australian Tax Office (ATO).

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

**5. Expense items**

The result for the year includes the following specific expenses:

**a) Other expenses**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Consulting	59,350	120,071
Short-term lease payments	78,395	150,587
Other	102,207	138,044
Loss on disposal of asset	11,397	-
Loan write-off	-	122,584
	<b>251,349</b>	<b>531,286</b>

**b) Depreciation and amortisation**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Property, plant and equipment	6,377	24,546
Software	185,819	59,213
	<b>192,196</b>	<b>83,759</b>

**c) Employee expenses**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Defined contribution superannuation expense	94,848	104,977

**6. Income taxes**

**a) Income tax expense / benefit**

	<b>30 June 20</b>	<b>30 June 19</b>
	<b>\$</b>	<b>\$</b>
Current tax		
Current tax on profits for the year	368,251	17,118
Deferred income tax		
Decrease/(increase) in deferred tax assets	(57,472)	(70,617)
<b>Income tax expense / (benefit)</b>	<b>310,779</b>	<b>(53,499)</b>



**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

**b) Numerical reconciliation of income tax expense / (benefit) to prima facie tax payable**

	30 June 20	30 June 19
	\$	\$
Profit / (loss) before income tax	1,096,242	(867,388)
Tax expense / (benefit) at the statutory income tax rate of 27.5% (2019: 27.5%)	301,467	(238,532)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible and non-taxable items		
Research and development offset income	(82,579)	(130,908)
Other Government grants	(20,625)	-
Research and development costs	226,832	313,750
Change in income tax rate	7,390	-
Share incentive expense	4,737	-
Loan write-off	-	33,711
Other	436	(31,250)
Previously unrecognised tax losses brought to account	(126,879)	-
<b>Income tax expense / (benefit)</b>	<b>310,779</b>	<b>(53,499)</b>

**c) Amounts recognised directly to equity**

There are no amounts recognised in equity.

**d) Tax losses**

The company had no unused tax losses as at the end of the reporting period. (30 June 2019: \$461,378).

**e) Deferred tax assets and liabilities**

	30 June 20	30 June 19
	\$	\$
Deferred tax assets		
Trade and other payables	6,076	8,431
Contract liabilities	91,415	20,696
Employee benefits	30,598	41,490
	<b>128,089</b>	<b>70,617</b>

The expected future tax rate used in calculating deferred tax assets and liabilities was 26% (2019: 27.5%).

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

**7. Cash and cash equivalents**

	30 June 20	30 June 19
	\$	\$
Cash at bank and in hand	1,588,413	134,270
Short-term deposits	-	-
<b>Total cash and cash equivalents</b>	<b>1,588,413</b>	<b>134,270</b>

Cash at bank earns interest at floating rates based on the daily bank deposit rates. The Company's exposure to interest rate risk for financial assets and liabilities are disclosed in Note 18.

**8. Trade and other receivables**

	30 June 20	30 June 19
	\$	\$
Trade receivables	248,255	168,659
R&D incentive receivable	596,777	845,651
<b>Total current trade and other receivables</b>	<b>845,032</b>	<b>1,014,310</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

**Impairment of trade receivables**

The Company applies the AASB 9 simplified approach to measuring expected credit losses. The expected loss rates (ECLs) are based on the historic payment profiles of sales and historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the company, and a failure to make contractual payments for a period of greater than 120 days past due. No allowance has been made in relation to expected credit losses for the reporting period given that only \$13,750 of receivables are greater than 120 days old (2019: \$14,063). The table below presents the past due age analysis of the trade receivables as at 30 June 2021:

30 June 2020 Gross carrying amount (\$)	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Trade receivables	229,226	-	5,279	13,750	248,255

30 June 2019 Gross carrying amount (\$)	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Trade receivables	-	174,595	-	(5,936)	168,659

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

**Notes to the Financial Statements**

**For the year ended 30 June 2020**

**9. Other current assets**

	30 June 20	30 June 19
	\$	\$
Prepayments	-	52,566
Security deposits	-	135,376
<b>Total other current assets</b>	<b>-</b>	<b>187,942</b>

**10. Property, plant and equipment**

	Office equipment	Furniture and fittings	Aeroplane	Total Property, plant and equipment
	\$	\$	\$	\$
<b>Year ended 30 June 2019</b>				
Balance at the beginning of year	6,525	15,131	101,096	122,752
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(4,526)	(4,323)	(15,697)	(24,546)
<b>Balance at 30 June 2019</b>	<b>1,999</b>	<b>10,808</b>	<b>85,399</b>	<b>98,206</b>
<b>As at 30 June 2019</b>				
Cost	40,839	30,540	119,559	190,938
Accumulated depreciation	(38,840)	(19,732)	(34,160)	(92,732)
<b>Net Book value</b>	<b>1,999</b>	<b>10,808</b>	<b>85,399</b>	<b>98,206</b>
<b>Year ended 30 June 2020</b>				
Balance at the beginning of year	1,999	10,808	85,399	98,206
Additions	1,708	-	-	1,708
Disposals	-	-	(84,125)	(84,125)
Depreciation expense	(2,015)	(3,088)	(1,274)	(6,377)
<b>Balance at 30 June 2020</b>	<b>1,692</b>	<b>7,720</b>	<b>-</b>	<b>9,412</b>
<b>As at 30 June 2020</b>				
Cost	42,547	30,540	-	73,087
Accumulated depreciation	(40,855)	(22,820)	-	(63,675)
<b>Net Book value</b>	<b>1,692</b>	<b>7,720</b>	<b>-</b>	<b>9,412</b>

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

**11. Intangible assets**

	<b>30 June 20</b>	<b>30 June 19</b>
	<b>\$</b>	<b>\$</b>
<b>Software Development Costs</b>		
At cost	1,266,061	592,515
Accumulated amortisation	(245,032)	(59,213)
Accumulated impairment	-	-
Software carrying amount	<b>1,021,029</b>	<b>532,912</b>

Movement in the carrying amounts for each class of intangible assets for the year end is shown below.  
Software is amortised over a five-year useful life.

	<b>30 June 20</b>	<b>30 June 19</b>
	<b>\$'000</b>	
Balance at the beginning of year	532,912	-
Additions	673,936	592,515
Amortisation and depreciation expense	(185,819)	(59,213)
<b>Balance at end of the period</b>	<b>1,021,029</b>	<b>532,912</b>

**12. Trade and other payables**

	<b>30 June 20</b>	<b>30 June 19</b>
	<b>\$</b>	<b>\$</b>
Trade payables	704,437	303,573
Accruals	182,306	458,063
GST payable	60,238	45,715
<b>Total trade and other payables</b>	<b>946,981</b>	<b>807,351</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)****Notes to the Financial Statements****For the year ended 30 June 2020****13. Contract liabilities**

Contract liabilities represent the company's obligation to transfer services to a customer (relating to software subscriptions) and are recognised when a customer pays consideration or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the services to the customer.

	30 June 20	30 June 19
	\$	\$
Short-term advances for subscription services	351,596	75,257
<b>Total contract liabilities</b>	<b>351,596</b>	<b>75,257</b>

*Reconciliation*

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

Opening balance	75,257	-
Payments received in advance	351,596	75,257
Transfer to revenue - included in the opening balance	(75,257)	-
Closing balance	351,596	75,257

**14. Employee benefits provisions**

	30 June 20	30 June 19
	\$	\$
Current	101,674	136,827
Non-current	16,011	14,046
<b>Total employee benefits provision</b>	<b>117,685</b>	<b>150,873</b>

*Amounts not expected to be settled within the next 12 months*

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	30 June 20	30 June 19
	\$	\$
Employee benefits obligation expected to be settled after 12 months	51,725	57,490

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

**15. Issued capital**

	30 June 20 Shares	30 June 19 Shares	30 June 20 \$	30 June 19 \$
Ordinary shares				
Fully paid	428	428	199,876	199,876
Outstanding	1,000	1,000	2,000	2,000
<b>Total issued capital</b>	<b>1,428</b>	<b>1,428</b>	<b>201,876</b>	<b>201,876</b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. The company does not have authorised capital or par value in respect of its shares.

No share capital was issued during the year (2019: nil).

The outstanding share capital remains outstanding at the date of this report.

*Capital risk management*

The company'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.

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 is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

**16. Reserves**

	30 June 20 \$	30 June 19 \$
Share Based Payments Reserve	17,224	-

*Share Based Payments Reserve*

The reserve is used to recognise the value of share based payments (options, shares) provided to employees and other service providers.

*Movements in reserves*

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

<b>Share Based Payments Reserve</b>	<b>\$</b>
Balance at 1 July 2019	-

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

Value of options issued during the year	17,224
Balance at 30 June 2020	17,224

**a) Recognised share-based payments expenses**

	2020	2019
	\$	\$
Equity awards to employees	17,224	-
	<b>17,224</b>	<b>-</b>

On 9 December 2019, 63 options were issued to key management personnel at an exercise price of \$0.01 per share and a total transaction value of \$38,990, which will be recognised as an expense over the financial years ended 30 June 2020 to 30 June 2023.

**b) Options granted to employees**

A share option plan has been established by the company and approved by shareholders at a general meeting, whereby the company may, at the discretion of the Board, grant options over ordinary shares in the company to certain key management personnel. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

On 9 December 2019, 63 options were granted to the Chief Executive Officer (CEO) of the Company in accordance with the employee option plan, to take up ordinary shares at an exercise price of \$0.01 each. 36 options have a service condition attached and have variable vesting periods ranging from 6 to 36 months after grant date. 27 options are linked to a non-market performance obligation linked to revenue targets.

If the CEO ceases to be employed by the Company, the Board has absolute discretion to serve a lapse notice for unvested options; or serve a transfer notice requiring the holder to sell some or all vested options to any person nominated by the Board.

In the scenario of an exit event, which includes a listing, business sale or share sale event, the Board has absolute discretion to buy back or cancel some or all options at fair value; and/or notify the holder that these are fully vested as a result of the exit event. Where there is a reconstruction of the business as part of the exit event, the Board may grant new options in substitution for existing options or arrange for the new holding entity to acquire these options. If a majority shareholder chooses to sell their shares as part of an exit event, the Board may, if requested, issue a drag-along notice to the remaining shareholders requiring them to sell all their share options.

Set out below are summaries of options granted under the plan:

**2020**

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
9 December 2019	9 December 2019	\$0.01	-	63	-	-	63

9 options vested during the year ended 30 June 2020 but the options were not exercised at \$0.01 per share until 21 December 2020 and the shares were not issued until 19 February 2021.

## Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

### Notes to the Financial Statements

#### For the year ended 30 June 2020

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	Dividend yield	Risk-free interest rate	Fair value at grant date
9 December 2019	9 December 2022	\$866.45	\$0.01	70.00%	0%	1.085%	\$866.45

#### 16. Related parties

##### a) Key management personnel compensation

###### Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	30 June 20	30 June 19
	\$	\$
Short-term employee benefits	296,878	241,903
Directors fee	-	30,000
Post-employment benefits	24,642	22,981
Share-based payments	17,224	-
	<b>338,744</b>	<b>294,884</b>

##### b) Transactions with other related parties

Rupert Taylor-Price is a non-executive Director of the company and is also a Director of Vault Systems Pty Ltd. JN Solutions Australia Pty Ltd utilises a shared office space and common hosting environment with Vault Systems. Vault Systems Pty Ltd provided services which amounted to \$1,122,357 (2019: \$1,640,702) during the reporting period on normal commercial terms.

During the financial year, the Company sold its share of a syndicated aircraft used for business purposes to Capital R Pty Ltd, a company of which Rupert Taylor-Price is also a director. The sale was on normal commercial terms and gave rise to a loss of disposal of \$11,397.

During the year ended 30 June 2019, a long-standing interest-free expenses-funding advance to Rupert Taylor-Price was converted to a directors fee.

##### c) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	30 June 20	30 June 19
	\$	\$
Vault Systems Pty Ltd	664,179	239,845
	<b>664,179</b>	<b>239,845</b>

#### 17. Financial Risk Management



**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

***Financial risk management objectives***

The company'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 company'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 and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

**a) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible since the counterparties are government institutions with high quality external credit ratings.

***Trade receivables and contract assets***

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. On a geographical basis, the Company has significant credit risk exposures in Australia given the location of its operations in this region.

Refer to Note 8 for the ageing analysis of trade and other receivables.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)****Notes to the Financial Statements****For the year ended 30 June 2020****b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and term deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below includes the remaining contractual maturities of non-derivative financial liabilities:

<b>30 June 2020</b>	<b>Less than 6 months</b>	<b>6-12 months</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying Amount</b>
Trade and other payables	350,287	283,331	313,363	-	946,981	946,981
<b>Total non-derivatives</b>	<b>350,287</b>	<b>283,331</b>	<b>313,363</b>	<b>-</b>	<b>946,981</b>	<b>946,981</b>

<b>30 June 2019</b>	<b>Less than 6 months</b>	<b>6-12 months</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying Amount</b>
Trade and other payables	807,351	-	-	-	807,351	807,351
<b>Total non-derivatives</b>	<b>807,351</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>807,351</b>	<b>807,351</b>

**c) Market risk****i. Price risk**

The Company is susceptible to change in market prices for the services rendered to customers based on demand and supply economics and technological change.

**ii. Foreign exchange risk and Interest rate risk**

The Company is not exposed to risk in currency fluctuations from trade. The company does not have any borrowings that fluctuate because of changes in market interest rates and is therefore not exposed to interest rate risk.

**18. Remuneration for auditors**

RSM Australia Pty Ltd are the auditors for the company. RSM Australia Pty Ltd were appointed after the financial year and thus audit fees relating to the 30 June 2020 audit will be recorded in the year ending 30 June 2022 to the value of \$35,000 relating to the 30 June 2020 financial year. During the period, RSM Australia provided tax advice amounting to \$28,950 (2019: \$nil).

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2020**

**19. Cash flow information**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Profit / (loss) for the year	785,463	(813,889)
Non-cash items:		
Depreciation and amortisation	192,196	83,759
R&D incentive income applied to capital items	296,491	369,623
Loss on sale of asset	11,397	-
Share incentive expense	17,224	-
Loan write off	-	122,584
Director loan converted to fee	-	30,000
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	169,278	253,460
- increase/(decrease) in trade and other payables	139,630	118,189
- increase/(decrease) in contract liabilities	276,339	75,257
- increase/(decrease) in tax related liabilities	368,250	(88,766)
- increase/(decrease) in employee provisions	(33,188)	65,746
- increase/(decrease) in prepayments	52,566	(52,566)
- increase/(decrease) in deferred tax liability	(57,472)	(70,617)
<b>Net cash inflows from operating activities</b>	<b>2,218,174</b>	<b>92,779</b>

**20. Capital commitments and Contingencies**

The company does not have any significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities (2019: nil). The company did not have any contingent assets or liabilities at 30 June 2020 (2019: nil).

**21. Events Occurring After the Reporting Date**

The company has commenced a capital raising process and intends to list on the Australian Stock Exchange. As such, the company entered into an agreement with ARQ Capital Pty Ltd to provide facilitation services in relation to pre-IPO and IPO matters on an exclusive basis. The capital raising includes:

- At-Risk Convertible Note raising of \$111,922 (completed on 23 December 2021 to fund the raising);
- Seed Raising of \$750,000 from the issue of ordinary shares; and
- \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

The At-Risk Convertible Note raising allows the holders to receive 10,659,240 ordinary shares at a price of \$0.0105 on admission to the Official List of ASX on or before 31 July 2022. Redemption of the notes at \$1 per holder occurs at 31 July 2022 and early redemption if the ASX does not approve the In-Principle Application and the company decides to not resubmit an amended application. The company CEO participated in 7.0% of the Notes. Related parties of service providers for the proposed IPO participated in 60.3% of the Notes.

The proposed Seed Raising is contingent on the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice. The \$750,000 will be 4,687,500 ordinary shares at \$0.16 per share.

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2020**

The company has engaged service providers to assist with the listing process. The company appointed Baker Young as Lead Manager and Broker, Nova Legal as Corporate Lawyer and Mirador Corporate as Company Secretary. The company has received positive feedback from the ASX on its In-Principle application and written feedback is pending receipt of the audited financial statements of the most recent financial periods.

The contract with Baker Young for its services as Lead Manager includes options as fees. The terms for these options are 2 million options with an exercise price of 25 cents per share, a three-year exercise period and an escrow period of 24 months. These options were valued at \$175,000.

On 10 February 2022, the company's shareholders approved that:

- The name of the company be changed to Bridge SaaS Limited.
- The company subdivide the issued share capital of the company on the basis that every one share be subdivided into 21,796.7732 shares, resulting in the number of shares on issue to increase from 1.455 to 31,714,306.
- The company change from a proprietary company limited by shares to a public company limited by shares.
- The company adopt a new Constitution.

On 16 February 2022 Mark O'Hare resigned as Company Secretary.

On 16 February 2022 Hannah Cabatit was appointed Company Secretary.

On 4 April 2022 Jamie Conyngham and Hannah Cabatit were appointed as directors of the company.

The company won a new customer contract with a minimum annual value of \$360,000 to \$400,000.


## Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

### Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 34, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards and Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors.

Director   
Rupert Taylor-Price (May 20, 2022 18:09 GMT+10)

Dated 18 May 2022

**RSM Australia Partners**

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**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of BRIDGE SAAS LIMITED**  
**(FORMERLY JN SOLUTIONS AUSTRALIA PTY LTD)**

**Opinion**

We have audited the financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) (the Company) which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2020 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 Company 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.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the financial report, which indicates that the Company is reliant on its ability to raise capital in the future in order to continue as a going concern. 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.

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

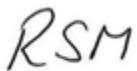
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary 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 Company 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 Company 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: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

A handwritten signature in dark ink that reads 'RSM'.

### **RSM Australia Partners**

A handwritten signature in dark ink that reads 'David Talbot'.

**David Talbot**  
Partner

Sydney, NSW  
Dated: 19 May 2022





# FY2020 Audited accounts

Final Audit Report

2022-05-20

Created:	2022-05-20
By:	Jamie Conyngham (jamie.conyngham@hivetec.com.au)
Status:	Signed
Transaction ID:	CBJCHBCAABAAfBA46DcCwS6X5Emlt82QHSPiYqellkHo

## "FY2020 Audited accounts" History

-  Document created by Jamie Conyngham (jamie.conyngham@hivetec.com.au)  
2022-05-20 - 6:43:48 AM GMT- IP address: 1.129.105.219
-  Document emailed to Rupert Taylor-Price (rupert.taylor-price@vaultcloud.com.au) for signature  
2022-05-20 - 6:59:50 AM GMT
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2022-05-20 - 8:08:43 AM GMT- IP address: 66.249.84.221
-  Document e-signed by Rupert Taylor-Price (rupert.taylor-price@vaultcloud.com.au)  
Signature Date: 2022-05-20 - 8:09:26 AM GMT - Time Source: server- IP address: 199.34.10.15
-  Agreement completed.  
2022-05-20 - 8:09:26 AM GMT



**Bridge SaaS Limited**  
**(formerly JN Solutions Australia Pty Ltd)**

**ABN 14 130 148 560**

**Financial Report**  
**for the year ended 30 June 2021**

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# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Directors' Report**

**30 June 2021**

### **Director's Report**

#### **Directors**

The following persons were directors of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) during the whole financial year and up to the date this financial report was authorised for issue, unless where otherwise stated:

Rupert Taylor-Price

Jamie Conyngham (appointed 4 April 2022)

Hannah Cabatit (appointed 4 April 2022)

Non-Executive Director and Chairperson

Executive Director and Chief Executive Officer

Non-Executive Director

#### **Company Secretary**

Mark O'Hare (resigned 16 February 2022)

Hannah Cabatit (appointed 16 February 2022)

#### **Principal activities**

The company provides integrated client management software solutions to service providers operating within government-funded programs. The core 'Bridge' product is currently accredited to work with a number of government programs in Australia. The Company's products are enterprise-grade and built for large service providers.

#### **Review of operations**

The company reported a loss after tax of \$21,337 for the year (2020: profit of \$785,463), with lower sales revenue of \$1,760,525 in the year (2020: \$2,333,582). Expenses were up due to the continued growth of the business as well as higher amortisation of software development costs capitalised in the prior year.

Software development expenditure of \$633,937 (2020: \$673,936) relating to the enhancement of existing products has been capitalised as an intangible asset and amortised over its useful life. The company qualified for some COVID19 support in the form of a Cashflow boost and JobKeeper initiatives during the year.

#### **Significant changes during the year**

There have been no significant changes in the state of affairs of the Company during the year.

#### **Matters or circumstances arising after the end of the year**

The company has commenced a capital raising process and intends to list on the Australian Stock Exchange. As such, the company entered into an agreement with ARQ Capital Pty Ltd to provide facilitation services in relation to pre-IPO and IPO matters on an exclusive basis. The capital raising includes:

- At-Risk Convertible Note raising of \$111,922 (completed on 23 December 2021 to fund the raising);
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The proposed Seed Raising is contingent on the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice. The \$750,000 will be 4,687,500 ordinary shares at \$0.16 per share.

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Directors' Report**

**30 June 2021**

The company has engaged service providers to assist with the listing process. The company appointed Baker Young as Lead Manager and Broker, Nova Legal as Corporate Lawyer and Mirador Corporate as Company Secretary. The company has received positive feedback from the ASX on its In-Principle application and written feedback is pending receipt of the audited financial statements of the most recent financial periods.

The contract with Baker Young for its services as Lead Manager includes options as fees. The terms for these options are 2 million options with an exercise price of 25 cents per share, a three-year exercise period and an escrow period of 24 months. These options were valued at \$175,000.

On 10 February 2022, the company's shareholders approved that:

- The name of the company be changed to Bridge SaaS Limited.
- The company subdivide the issued share capital of the company on the basis that every one share be subdivided into 21,796.7732 shares, resulting in the number of shares on issue to increase from 1.455 to 31,714,306.
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On 16 February 2022 Mark O'Hare resigned as Company Secretary.

On 16 February 2022 Hannah Cabatit was appointed Company Secretary.

On 4 April 2022 Jamie Conyngham and Hannah Cabatit were appointed as directors of the company.

The company won a new customer contract with a minimum annual value of \$360,000 to \$400,000.

### **Likely developments and expected results of operations**

The business continues to seek growth opportunities and has a strategy to invest in technology and the development of its software offering to attract new customers and increase revenues. The company is currently undertaking pre-IPO funding rounds and is looking to expand into both overseas markets and adjacent market segments.

### **Environmental matters**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

### **Information on directors**

The following information is current as at the date of this report.

Rupert Taylor-Price

Qualifications Bachelor of Physics (Hons) from the University of Southampton

Experience Mr Taylor- Price is the founder and CEO of Vault Cloud - Secure, Sovereign Community Cloud for Government and Critical Infrastructure. He has a long history of handling sensitive data, stemming from his eight years as Chief Executive Officer at JN Solutions.

While at JN Solutions, Mr Taylor- Price developed a world-leading SaaS (Software as a Service) Information Management Platform for the Australian Government, which provided extensive support to the community services sector. He is an active member

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Directors' Report

30 June 2021

of the NSW Sovereign Procurement Task Force that diversifies the state's IT supplier ecosystem and boosts participation levels from innovative local IT small and medium enterprises to build sovereign capabilities. He is also the Chair of AIIA Domestic Capabilities Policy Advisory Network and Policy Advisory Leadership Team.

Jamie Conyngham

**Qualifications** Diploma of Law (SAB) from The University of Sydney and is a qualified lawyer in NSW. He also qualified as an affiliate for the Securities Institute of Australia (SIA) now FINSIA.

**Experience** Jamie is an experienced international CEO, specialising in fast growth technology companies. Jamie joined Bridge in December 2019 to drive the growth of the business and brings more than twenty years' experience as a founder and senior executive of technology companies in the United Kingdom and Australia.

Jamie has successfully created and launched products on a global scale and has experience in establishing international operations. He has worked across a range of businesses, from start-ups to blue-chip companies. Jamie has delivered strong organic growth and also brings experience with mergers and acquisitions. He has completed capital raisings in eight different countries.

Jamie serves as an advisor to the Digital Community of Interest (DCI) group for the National Disability and Insurance Scheme (NDIS), which advises NDIS on future and current technologies. Jamie is also a director of the New South Wales branch of the Australian Information Industry Association (AIIA) and a member of the Tech Council of Australia.

Hannah Cabatit

**Qualifications** Bachelor of Science in Accountancy, Certified Practicing Accountant

**Experience** Hannah Cabatit is an employee of Mirador Corporate where she specializes in statutory financial reporting and company secretarial services. Hannah is a Certified Practicing Accountant and has 20 years of commercial experience in Australia and the Philippines, with 8 years' experience in senior accounting roles and compliance services for public listed and unlisted companies. She has acted as Financial Controller and provided company secretarial services to a number of small-cap ASX listed entities.

## Company Secretary

Hannah Cabatit Refer above

Mark O'Hare

**Qualifications** Bachelor's degree in Economics, Graduate Diploma in Chartered Accounting (GradDipCA), Diploma in Financial Planning, registered tax agent and ASIC agent for company secretarial services.

**Experience** Mr O'Hare has over 25 years professional experience, providing big 4 accounting, tax and financial advice to business clients. He has held CFO and other leadership roles for multinational businesses and is experienced in implementing systems supporting rigorous commercial process and reliable financial reporting.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Directors' Report**  
**30 June 2021**

**Meetings of directors**

The numbers of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2021, and the numbers of meetings attended by each director were:

	Board meetings	
	A	B
Rupert Taylor-Price	11	11

A: Number of meetings held during the period.

B: Number of meetings attended during the period.

**Shares under option**

Unissued ordinary shares of Bridge SaaS Limited under option at 30 June 2021 are as follows:

Grant date	Expiry date	Exercise price	Number under option
9 December 2019	9 December 2022	\$0.01	36

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

Grant date	Expiry date	Exercise price	Number under option
9 December 2019	9 December 2022	\$0.01	27

**Shares issued on the exercise of options**

The following ordinary shares of Bridge SaaS Limited were issued during the year ended 30 June 2021 on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
9 December 2019	\$0.01	18

The following ordinary shares of Bridge SaaS Limited were issued up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
9 December 2019	\$0.01	27

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Directors' Report

30 June 2021

### Insurance of officers and Indemnification

The company does not have Directors & Officers indemnity insurance and has not issued any indemnities to Directors or officers.

### Indemnity and insurance of auditor

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

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

### Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

### Non-audit services

RSM Australia Pty Ltd are the auditors for the company. RSM Australia Pty Ltd were appointed after the financial year. During the period, RSM Australia provided tax advice amounting to \$30,000 (2020: \$28,950).

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 will be inserted on completion of the audit of the financial statements. As such, a placeholder has been left for this declaration on page 4 of the financial report.

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

*Rupert Taylor-Price*

Director: Rupert Taylor-Price (May 20, 2022 18:11 GMT+10)

Dated 18 May 202

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PARTNERS**



**David Talbot**  
Partner

Sydney, NSW  
Dated: 19 May 2022



## General information

The financial statements of Bridge SaaS Limited are presented in Australian dollars, which is Bridge SaaS Limited's functional and presentation currency.

Bridge SaaS Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

### Registered office

Suite 3 Level 1  
12-26 Argyle Street  
The Rocks  
Sydney NSW 2000

### Principal place of business

Suite 3 Level 1  
12-26 Argyle Street  
The Rocks  
Sydney NSW 2000

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 18 May 2022. The directors have the power to amend and reissue the financial statements.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2021**

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Sales revenue		1,760,525	2,333,582
Other income		554,645	418,087
	<b>4</b>	<b>2,315,170</b>	<b>2,751,669</b>
Finance income		338	1,824
Employee benefits expense		(819,007)	(484,636)
Depreciation and amortisation	<b>5</b>	(318,843)	(192,196)
Hosting (Data Centre & Networks)		(604,392)	(693,468)
Sales and marketing		(45,317)	(18,236)
Other expenses	<b>5</b>	(341,306)	(251,349)
Finance costs		(948)	(142)
Share incentive expense	<b>16</b>	(9,942)	(17,224)
<b>Profit before income tax</b>		<b>175,753</b>	<b>1,096,242</b>
Income tax expense	<b>6</b>	(197,090)	(310,779)
<b>(Loss) / profit after tax</b>		<b>(21,337)</b>	<b>785,463</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive (loss) / income for the year</b>		<b>(21,337)</b>	<b>785,463</b>

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Financial Position**  
**As at 30 June 2021**

		30 Jun 2021	30 Jun 2020
	Note	\$	\$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	574,232	1,588,413
Trade and other receivables	8	734,785	845,032
TOTAL CURRENT ASSETS		1,309,017	2,433,445
NON-CURRENT ASSETS			
Property, plant and equipment	9	9,982	9,412
Intangible assets	10	1,338,360	1,021,029
Deferred tax assets	6	116,391	128,089
TOTAL NON-CURRENT ASSETS		1,464,733	1,158,530
TOTAL ASSETS		2,773,750	3,591,975
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	11	287,002	946,981
Contract liabilities	12	339,088	351,596
Employee benefits	13	97,486	101,674
Income Tax Payable		85,290	199,434
TOTAL CURRENT LIABILITIES		808,866	1,599,685
NON-CURRENT LIABILITIES			
Employee benefits	13	-	16,011
TOTAL NON-CURRENT LIABILITIES		-	16,011
TOTAL LIABILITIES		808,866	1,615,696
NET ASSETS		1,964,884	1,976,279
<b>EQUITY</b>			
Issued capital	14	217,472	201,876
Reserves	15	11,570	17,224
Retained earnings		1,735,842	1,757,179
TOTAL EQUITY		1,964,884	1,976,279

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2021**

	Note	Ordinary Shares	Retained Earnings	Share based payments Reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		<b>201,876</b>	<b>1,757,179</b>	<b>17,224</b>	<b>1,976,279</b>
Loss for the Year		-	(21,337)	-	(21,337)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(21,337)</b>	<b>-</b>	<b>(21,337)</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of rights to shares for employees for service (note 15)		-	-	9,942	9,942
Conversion of share options to ordinary shares (note 14)		15,596	-	(15,596)	-
Contributions of equity, net of transaction costs		-	-	-	-
		15,596	-	(5,654)	9,942
<b>Balance at 30 June 2021</b>		<b>217,472</b>	<b>1,735,842</b>	<b>11,570</b>	<b>1,964,884</b>

	Note	Ordinary Shares	Retained Earnings	Share based payments Reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2019</b>		<b>201,876</b>	<b>971,716</b>	<b>-</b>	<b>1,173,592</b>
Profit for the Year		-	785,463	-	785,463
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>785,463</b>	<b>-</b>	<b>785,463</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of rights to shares for employees for service (note 15)		-	-	17,224	17,224
Conversion of share options to ordinary shares		-	-	-	-
Contributions of equity, net of transaction costs		-	-	-	-
		-	-	17,224	17,224
<b>Balance at 30 June 2020</b>		<b>201,876</b>	<b>1,757,179</b>	<b>17,224</b>	<b>1,976,279</b>

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Statement of Cash Flows**  
**For the year ended 30 June 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers (inclusive of GST)		1,901,711	2,764,563
Government grants received		855,378	962,652
Payments to suppliers and employees (inclusive of GST)		(2,666,399)	(1,510,722)
Interest received		338	1,824
Interest paid		(948)	(142)
Income tax paid/refunded		(299,536)	(1)
Net cash (used in) / provided by operating activities	19	(209,456)	2,218,174
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payment for plant and equipment		(2,807)	(1,708)
Proceeds from the sale of plant and equipment		-	72,728
Release of deposits for rental leases and bonds		-	135,376
Payment for software development costs		(801,918)	(970,427)
Net cash used in investing activities		(804,725)	(764,031)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net cash provided by / (used in) financing activities		-	-
Net (decrease) / increase in cash and cash equivalents held		(1,014,181)	1,454,143
Cash and cash equivalents at beginning of year		1,588,413	134,270
Cash and cash equivalents at end of financial year	7	574,232	1,588,413

*The accompanying notes are an integral part of these financial statements.*

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

### For the year ended 30 June 2021

#### 1. Summary of 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.

##### a) 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.

##### *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 2.

##### *Going Concern*

As disclosed in the financial statements, the company generated a loss after tax of \$21,337 for the year (2020: profit of \$785,463) and had a net cash outflow from operating activities of \$209,456 (2020: cash inflow from operations of \$2,218,174) for the period ended 30 June 2021.

The Directors believe that there are reasonable grounds to believe that the company will be able to continue as a going concern, after consideration of the following factors:

- The company has prepared detailed budgets and cash flow forecasts to June 2023 which show that the group will continue as a going concern.
- Furthermore, the directors regularly monitor the company's cash position and, on an on-going basis, consider strategic and operational plans to ensure that adequate funding continues to be available for the company to meet its liquidity requirement.
- The company intends to raise \$750,000 of Seed Raising upon the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice.
- The company intends to raise \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2021**

##### **b) Revenue recognition**

The company has adopted AASB15 which establishes new principles of reporting revenue, whilst taking into account the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer and includes a five step recognition model to determine revenue recognition.

AASB 15 requires identification of discrete performance obligations within a transaction or agreement and an associated transaction price allocation to each of these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of the goods or services are transferred to the customer.

Determining the timing of the transfer of control, at a point in time or over time, requires judgement. AASB 15 specifically excludes financial instruments recognised under AASB 9 Financial Instruments.

Details on how the company has treated each source of revenue under AASB 15 is included below:

##### **Subscription revenue**

###### *Revenue from contracts with customers*

Revenue derived through licensing arrangements for customers who subscribe to the Company's operational platform (for the provision of Software-as-a-service) is recognised as performance obligations identified in the sales contract are satisfied. Related costs of the performance obligations are recognised on completion of the performance obligations. Costs arising from the incomplete performance obligations are capitalised into contract assets. Revenue invoiced for incomplete performance obligations is recognised as a contract liability in unearned revenue.

###### *Rendering of services*

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

###### *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.

###### *Other revenue*

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

##### **c) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Notes to the Financial Statements**

### **For the year ended 30 June 2021**

#### **d) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset of liability in the Statement of Financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### **e) Income Tax**

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

#### **f) Fair value measurement**

AASB 13 Fair Value Measurement that establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other AASBs. It unifies the definition of fair value as 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.

#### **g) Financial instruments**

##### **AASB 9 Financial Instruments**

AASB 9 sets out requirements for recognising and measuring financial assets and financial liabilities.



# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

For the year ended 30 June 2021

### i. Classification and measurement of financial assets and financial liabilities

Under AASB 9, on initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVTOCI) – debt investment; FVTOCI – equity investment; or fair value through profit or loss (FVTPL). The classification of financial assets under AASB 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The following accounting policies apply to the subsequent measurement of financial assets held by the Company:

*Financial assets at amortised cost* - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

*Financial assets at FVTPL* - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

### Measurement categories of financial assets

For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)'. Cash and cash equivalents, Trade and other receivables, and Loans and advances that meets SPPI are classified and measured at amortised cost. Certain Loans and advances and other financial assets do not meet SPPI and are classified and measured at FVTPL. There were no changes in classification and measurements of the Company's financial assets.

### ii. Impairment of financial assets

The Company 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 Company'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.

### Measurement of Expected Credit Loss ("ECL")

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The simplified expected credit loss method is used.

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

For the year ended 30 June 2021

### Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise of trade and other payables.

### h) Property, plant and equipment

#### Recognition and measurement

Property, plant and equipment is carried at cost less accumulated depreciation and impairment. Cost equals the amount of cash or cash equivalents paid or the fair value of the other consideration given at acquisition date and includes expenditure that is directly attributable to the acquisition of the items and an estimate of future restoration costs specific to the asset.

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset is included in the statement of profit or loss in the period the item is derecognised.

#### Depreciation

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

Furniture and fixtures	7 years
Office equipment	3 years
Aeroplane	20 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

### i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### j) Intangible assets

#### Software Development costs

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets where the following criteria are met.

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell
- the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in the statement of profit or loss.

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Notes to the Financial Statements**

**For the year ended 30 June 2021**

### **Research and development**

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

### **k) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

### **l) Employee benefits**

#### *Short-term employee benefits*

Liabilities for wages and salaries, including any 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.

#### *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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### **m) 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.

### **n) Contract liabilities**

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

### **o) Current and non-current classification**

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

# **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

## **Notes to the Financial Statements**

### **For the year ended 30 June 2021**

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.

#### **p) 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 company 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

#### **q) Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

#### **r) 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.

#### ***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 the 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.

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2021**

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the 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 award 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.

## **2. Critical Accounting Estimates and Judgements**

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.

### *Intangible assets – useful life*

Development costs capitalised are in relation to enhancing the functionality of existing software. As at 30 June 2021, the carrying amount of software was \$1.9 million (2020: \$1.5 million). The Company commenced capitalisation of costs in the 2019 financial year.

The company estimates the useful life of the software to be five years based on experience since incorporation, position in the market, and reliance on historical programming code. The useful life will be reviewed as market factors change.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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*Share-based payments – fair value estimation*

The fair value is typically estimated using option valuation models, which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life. Typically, these inputs are difficult to estimate for the company given an inactive market for these instruments and the shares not traded on public markets. Refer to Note 16 Share based payments for further detail.

**3. Changes in accounting policies and disclosures**

**a) New accounting standards and interpretations adopted during the year**

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.

**b) New accounting standards and interpretations not yet mandatory or early adopted**

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

*Conceptual Framework for Financial Reporting (Conceptual Framework)*

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the Company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Company's financial statements.

The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**4. Sales Revenue and Other Income**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Subscription and licensing revenue (a)	1,760,525	2,332,332
Service fee income	-	1,250
<b>Total Sales revenue</b>	<b>1,760,525</b>	<b>2,333,582</b>
Government grant (b)	553,183	417,287
Other Income	1,462	800
<b>Total Other income</b>	<b>554,645</b>	<b>418,087</b>
<i>Geographical regions</i>		
Australia	1,760,525	2,333,582
<i>Timing of revenue recognition</i>		
Services transferred over time	1,760,525	2,333,582

## Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

### Notes to the Financial Statements

#### For the year ended 30 June 2021

##### a) Subscription and licensing revenue

Subscription and licensing revenue relates to revenue generated from the company's in-house developed software solution, Bridge. It is a government accredited operational platform that provides integrated client management solutions to service providers of numerous government-funded programs.

##### b) Government Grant

###### i. JobKeeper Payment

This program was intended to help keep more Australians in jobs and support businesses affected by the significant economic impact of COVID-19. The original JobKeeper was in place until 27 September 2020. On 21 July 2020, the government announced the extension of JobKeeper to 28 March 2021 at modified rates and eligibility. JobKeeper was either paid directly to stood down employees or subsidised the wages of those still working.

###### ii. Cash flow boost

The Cash Boost scheme provides eligible entities with additional cash flow as a reduction to their BAS account with the ATO. The grants is recognised as income when the company is reasonably assured that it will comply with the conditions attached to it and the grant will be received.

###### iii. Research and development offset income

The company undertakes eligible research and development (R&D) activities and is therefore entitled to claim an R&D offset under the R&D incentive as administered by the Australian Tax Office (ATO).

## 5. Expense items

The result for the year includes the following specific expenses:

##### a) Other expenses

	2021	2020
	\$	\$
Consulting	127,810	59,350
Short-term lease payments	66,949	78,395
Other	146,547	102,207
Loss on disposal of asset	-	11,397
	<b>341,306</b>	<b>251,349</b>

##### b) Depreciation and amortisation

	2021	2020
	\$	\$
Property, plant and equipment	2,237	6,377
Software	316,606	185,819
	<b>318,843</b>	<b>192,196</b>

##### c) Employee expenses

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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	2021	2020
	\$	\$
Defined contribution superannuation expense	98,330	94,848

**6. Income taxes**

**a) Income tax expense**

	30 June 21	30 June 20
	\$	\$
Current tax		
Current tax on profits for the year	185,392	368,251
Deferred income tax		
Decrease/(increase) in deferred tax assets	11,698	(57,472)
<b>Income tax expense</b>	<b>197,090</b>	<b>310,779</b>

**b) Numerical reconciliation of income tax expense to prima facie tax payable**

	30 June 21	30 June 20
	\$	\$
Profit before income tax	175,753	1,096,242
Tax at the statutory income tax rate of 26% (2020: 27.5%)	45,696	301,467
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible and non-taxable items		
Research and development offset income	(76,592)	(82,579)
Other Government grants	(6,500)	(20,625)
Research and development costs	226,735	226,832
Change in income tax rate	4,656	7,390
Share incentive expense	2,585	4,737
Other	510	436
Previously unrecognised tax losses brought to account	-	(126,879)
<b>Income tax expense</b>	<b>197,090</b>	<b>310,779</b>

**c) Amounts recognised directly to equity**

There are no amounts recognised in equity.

**d) Tax losses**

The company had no unused tax losses as at the end of the reporting period. (30 June 2020: nil).



**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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**e) Deferred tax assets and liabilities**

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
Deferred tax assets		
Trade and other payables	7,248	6,076
Contract liabilities	84,772	91,415
Employee benefits	24,371	30,598
	<b>116,391</b>	<b>128,089</b>

The expected future tax rate used in calculating deferred tax assets and liabilities was 25% (2020: 26%).

**7. Cash and cash equivalents**

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and in hand	574,232	1,588,413
Short-term deposits	-	-
<b>Total cash and cash equivalents</b>	<b>574,232</b>	<b>1,588,413</b>

Cash at bank earns interest at floating rates based on the daily bank deposit rates. The Company's exposure to interest rate risk for financial assets and liabilities are disclosed in Note 18.

**8. Trade and other receivables**

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	272,222	248,255
R&D incentive receivable	462,563	596,777
<b>Total current trade and other receivables</b>	<b>734,785</b>	<b>845,032</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

**Impairment of trade receivables**

The Company applies the AASB 9 simplified approach to measuring expected credit losses. The expected loss rates (ECLs) are based on the historic payment profiles of sales and historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

### For the year ended 30 June 2021

repayment plan with the company, and a failure to make contractual payments for a period of greater than 120 days past due. No allowance has been made in relation to expected credit losses for the reporting period given that only \$13,750 of receivables are greater than 120 days old (2020: \$13,750). The table below presents the past due age analysis of the trade receivables as at 30 June 2021:

<b>30 June 2021</b>	<b>Current</b>	<b>&lt; 30 days overdue</b>	<b>&lt; 90 days overdue</b>	<b>&gt; 90 days overdue</b>	<b>Total</b>
<b>Gross carrying amount (\$)</b>					
Trade receivables	253,000	-	5,472	13,750	272,222

<b>30 June 2020</b>	<b>Current</b>	<b>&lt; 30 days overdue</b>	<b>&lt; 90 days overdue</b>	<b>&gt; 90 days overdue</b>	<b>Total</b>
<b>Gross carrying amount (\$)</b>					
Trade receivables	229,226	-	5,279	13,750	248,255

### 9. Property, plant and equipment

	<b>Office equipment</b>	<b>Furniture and fittings</b>	<b>Aeroplane</b>	<b>Total property, plant and equipment</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2020</b>				
Balance at the beginning of year	1,999	10,808	85,399	98,206
Additions	1,708	-	-	1,708
Disposals	-	-	(84,125)	(84,125)
Depreciation expense	(2,015)	(3,088)	(1,274)	(6,377)
<b>Balance at 30 June 2020</b>	<b>1,692</b>	<b>7,720</b>	<b>-</b>	<b>9,412</b>
<b>As at 30 June 2020</b>				
Cost	42,547	30,540	-	73,087
Accumulated depreciation	(40,855)	(22,820)	-	(63,675)
<b>Net Book value</b>	<b>1,692</b>	<b>7,720</b>	<b>-</b>	<b>9,412</b>
<b>Year ended 30 June 2021</b>				
Balance at the beginning of year	1,692	7,720	-	9,412
Additions	2,807	-	-	2,807
Disposals	-	-	-	-
Depreciation expense	(2,159)	(78)	-	(2,237)
<b>Balance at 30 June 2021</b>	<b>2,340</b>	<b>7,642</b>	<b>-</b>	<b>9,982</b>
<b>As at 30 June 2021</b>				
Cost	45,354	30,540	-	75,894
Accumulated depreciation	(43,014)	(22,898)	-	(65,912)
<b>Net Book value</b>	<b>2,340</b>	<b>7,642</b>	<b>-</b>	<b>9,982</b>

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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**For the year ended 30 June 2021**

**10. Intangible assets**

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
<b>Software Development Costs</b>		
At cost	1,899,998	1,266,061
Accumulated amortisation	(561,638)	(245,032)
Accumulated impairment	-	-
Software carrying amount	<b>1,338,360</b>	<b>1,021,029</b>

Movement in the carrying amounts for each class of intangible assets for the year end is shown below.  
Software is amortised over a five-year useful life.

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$'000</b>	
Balance at the beginning of year	1,021,029	532,912
Additions	633,937	673,936
Amortisation and depreciation expense	(316,606)	(185,819)
<b>Balance at end of the period</b>	<b>1,338,360</b>	<b>1,021,029</b>

**11. Trade and other payables**

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
Trade payables	191,056	704,437
Accruals	84,397	182,306
GST payable	11,549	60,238
<b>Total trade and other payables</b>	<b>287,002</b>	<b>946,981</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
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**12. Contract liabilities**

Contract liabilities represent the company's obligation to transfer services to a customer (relating to software subscriptions) and are recognised when a customer pays consideration or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the services to the customer.

	30 June 21	30 June 20
	\$	\$
Short-term advances for subscription services	339,088	351,596
<b>Total contract liabilities</b>	<b>339,088</b>	<b>351,596</b>

*Reconciliation*

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

Opening balance	351,596	75,257
Payments received in advance	339,088	351,596
Transfer to revenue - included in the opening balance	(351,596)	(75,257)
Closing balance	339,088	351,596

**13. Employee benefits provisions**

	30 June 21	30 June 20
	\$	\$
Current	97,486	101,674
Non-current	-	16,011
<b>Total employee benefits provision</b>	<b>97,486</b>	<b>117,685</b>

*Amounts not expected to be settled within the next 12 months*

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	30 June 21	30 June 20
	\$	\$
Employee benefits obligation expected to be settled after 12 months	42,796	51,725

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
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**14. Issued capital**

	30 June 21 Shares	30 June 20 Shares	30 June 21 \$	30 June 20 \$
Ordinary shares				
Fully paid	446	428	215,472	199,876
Outstanding	1,000	1,000	2,000	2,000
<b>Total issued capital</b>	<b>1,446</b>	<b>1,428</b>	<b>217,472</b>	<b>201,876</b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. The company does not have authorised capital or par value in respect of its shares.

18 fully paid shares were issued on 19 February 2021 at a price of \$0.01 per share.

The outstanding share capital remains outstanding at the date of this report.

**Movements in ordinary share capital**

	Date	Price	Number of shares	\$
Balance at 1 July 2019			1,428	201,876
Conversion of share options to ordinary shares			-	-
<b>Balance at 30 June 2020</b>			<b>1,428</b>	<b>201,876</b>
Conversion of share options to ordinary shares	19/2/21	\$0.01	18	15,596
<b>Balance 30 June 2021</b>			<b>1,446</b>	<b>217,472</b>

*Capital risk management*

The company'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.

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 is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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**For the year ended 30 June 2021**

**15. Reserves**

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
Share Based Payments Reserve	<u>14,167</u>	<u>17,224</u>

*Share Based Payments Reserve*

The reserve is used to recognise the value of share based payments (options, shares) provided to employees and other service providers.

*Movements in reserves*

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

	<b>30 June 21</b>	<b>30 June 20</b>
	<b>\$</b>	<b>\$</b>
<b>Share Based Payments Reserve</b>		
Balance at 1 July	17,224	-
Value of options issued on 9 December 2019	12,539	17,224
Options exercised during the year	(15,596)	-
	<u>14,167</u>	<u>17,224</u>
Balance at 30 June		

**a) Recognised share-based payments expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Equity awards to employees	<u>9,942</u>	<u>17,224</u>
	<b>9,942</b>	<b>17,224</b>

On 9 December 2019, 63 options were issued to key management personnel at an exercise price of \$0.01 per share and a total transaction value of \$38,990, which will be recognised as an expense over the financial years ended 30 June 2020 to 30 June 2023.

On 19 February 2021, following the exercise of options, 18 shares were issued to key management personnel at an issue price of \$0.01 per share and a transaction value of \$15,596.

**b) Options granted to employees**

A share option plan has been established by the company and approved by shareholders at a general meeting, whereby the company may, at the discretion of the Board, grant options over ordinary shares in the company to certain key management personnel. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

On 9 December 2019, 63 options were granted to the CEO of JN Solutions Pty Ltd in accordance with the employee option plan, to take up ordinary shares at an exercise price of \$0.01 each. 36 options have a service condition attached and have variable vesting periods ranging from 6 to 36 months after grant date. 27 options are linked to a non-market performance obligation linked to revenue targets.

# Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

## Notes to the Financial Statements

### For the year ended 30 June 2021

If the CEO ceases to be employed by the Company, the Board has absolute discretion to serve a lapse notice for unvested options; or serve a transfer notice requiring the holder to sell some or all vested options to any person nominated by the Board.

In the scenario of an exit event, which includes a listing, business sale or share sale event, the Board has absolute discretion to buy back or cancel some or all options at fair value; and/or notify the holder that these are fully vested as a result of the exit event. Where there is a reconstruction of the business as part of the exit event, the Board may grant new options in substitution for existing options or arrange for the new holding entity to acquire these options. If a majority shareholder chooses to sell their shares as part of an exit event, the Board may, if requested, issue a drag-along notice to the remaining shareholders requiring them to sell all their share options.

Set out below are summaries of options granted under the plan:

#### 2021

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
9 December 2019	9 December 2019	\$0.01	63	-	18	9	36

No options were granted during the current financial year.

#### 2020

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
9 December 2019	9 December 2019	\$0.01	-	63	-	-	63

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2021 Number	2020 Number
9 December 2019	9 December 2019	-	9

For the options granted during the year ended 30 June 2020,, 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	Dividend yield	Risk-free interest rate	Fair value at grant date
9 December 2019	9 December 2022	\$866.45	\$0.01	70.00%	0%	1.085%	\$866.45

## Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

### Notes to the Financial Statements

For the year ended 30 June 2021

#### 16. Related parties

##### a) Key management personnel compensation

###### *Compensation*

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	30 June 21	30 June 20
	\$	\$
Short-term employee benefits	304,191	296,878
Post-employment benefits	28,898	24,642
Share-based payments	9,942	17,224
	<b>343,031</b>	<b>338,744</b>

##### b) Transactions with other related parties

Rupert Taylor-Price is a non-executive Director of the company and is also a Director of Vault Systems Pty Ltd. JN Solutions Australia Pty Ltd utilises a shared office space and common hosting environment with Vault Systems. Vault Systems Pty Ltd provided services which amounted to \$848,647 (2020: \$1,122,357) during the reporting period on normal commercial terms.

During the financial year, a short-term interest-bearing loan of \$600,000 was made to Rupert Taylor-Price. This was repaid in full within two months and prior to the end of the reporting period.

During the year ended 30 June 2020, the Company sold its share of a syndicated aircraft used for business purposes to Capital R Pty Ltd, a company of which Rupert Taylor-Price is also a director. The sale was on normal commercial terms and gave rise to a loss of disposal of \$11,397.

##### c) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	30 June 21	30 June 20
	\$	\$
Vault Systems Pty Ltd	143,378	664,179
	<b>143,378</b>	<b>664,179</b>

#### 17. Financial Risk Management

##### *Financial risk management objectives*

The company'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 company'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 and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the



## Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

### Notes to the Financial Statements

#### For the year ended 30 June 2021

consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

#### a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible since the counterparties are government institutions with high quality external credit ratings.

#### *Trade receivables and contract assets*

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. On a geographical basis, the Company has significant credit risk exposures in Australia given the location of its operations in this region.

Refer to Note 8 for the ageing analysis of trade and other receivables.

#### b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and term deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below includes the remaining contractual maturities of non-derivative financial liabilities:

30 June 2021	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual cash flows	Carrying Amount
Trade and other payables	281,508	-	-	5,494	287,002	287,002
<b>Total non-derivatives</b>	<b>281,508</b>	<b>-</b>	<b>-</b>	<b>5,494</b>	<b>287,002</b>	<b>287,002</b>

30 June 2020	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual cash flows	Carrying Amount
Trade and other payables	350,287	283,331	313,363	-	946,981	946,981
<b>Total non-derivatives</b>	<b>350,287</b>	<b>283,331</b>	<b>313,363</b>	<b>-</b>	<b>946,981</b>	<b>946,981</b>

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**c) Market risk**

**i. Price risk**

The Company is susceptible to change in market prices for the services rendered to customers based on demand and supply economics and technological change.

**ii. Foreign exchange risk and Interest rate risk**

The Company is not exposed to risk in currency fluctuations from trade. The company does not have any borrowings that fluctuate because of changes in market interest rates and is therefore not exposed to interest rate risk.

**18. Remuneration for auditors**

RSM Australia Pty Ltd are the auditors for the company. RSM Australia Pty Ltd were appointed after the financial year and thus audit fees to the value of \$30,000 relating to the 30 June 2021 audit will be recorded in the next financial year. During the period, RSM Australia provided tax advice amounting to \$30,000 (2020: \$28,950).

**19. Cash flow information**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
(Loss) / profit for the year	(21,337)	785,463
Non-cash items:		
Depreciation and amortisation	318,843	192,196
R&D incentive income applied to capital items	167,981	296,491
Loss on sale of asset	-	11,397
Share incentive expense	9,942	17,224
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	110,247	169,278
- increase/(decrease) in trade and other payables	(659,979)	139,630
- increase/(decrease) in contract liabilities	(12,508)	276,339
- increase/(decrease) in tax related liabilities	(114,144)	368,250
- increase/(decrease) in employee provisions	(20,199)	(33,188)
- increase/(decrease) in prepayments	-	52,566
- increase/(decrease) in deferred tax liability	11,698	(57,472)
<b>Net cash (outflows) / inflows from operating activities</b>	<b>(209,456)</b>	<b>2,218,174</b>

**20. Capital commitments and Contingencies**

The company does not have any significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities (2020: nil). The company did not have any contingent assets or liabilities at 30 June 2021 (2020: nil).

## **Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**

### **Notes to the Financial Statements**

#### **For the year ended 30 June 2021**

#### **21. Events Occurring After the Reporting Date**

The company has commenced a capital raising process and intends to list on the Australian Stock Exchange. As such, the company entered into an agreement with ARQ Capital Pty Ltd to provide facilitation services in relation to pre-IPO and IPO matters on an exclusive basis. The capital raising includes:

- At-Risk Convertible Note raising of \$111,922 (completed on 23 December 2021 to fund the raising);
- Seed Raising of \$750,000 from the issue of ordinary shares; and
- \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

The At-Risk Convertible Note raising allows the holders to receive 10,659,240 ordinary shares at a price of \$0.0105 on admission to the Official List of ASX on or before 31 July 2022. Redemption of the notes at \$1 per holder occurs at 31 July 2022 and early redemption if the ASX does not approve the In-Principle Application and the company decides to not resubmit an amended application. The company CEO participated in 7.0% of the Notes. Related parties of service providers for the proposed IPO participated in 60.3% of the Notes.

The proposed Seed Raising is contingent on the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice. The \$750,000 will be 4,687,500 ordinary shares at \$0.16 per share.

The company has engaged service providers to assist with the listing process. The company appointed Baker Young as Lead Manager and Broker, Nova Legal as Corporate Lawyer and Mirador Corporate as Company Secretary. The company has received positive feedback from the ASX on its In-Principle application and written feedback is pending receipt of the audited financial statements of the most recent financial periods.

The contract with Baker Young for its services as Lead Manager includes options as fees. The terms for these options are 2 million options with an exercise price of 25 cents per share, a three-year exercise period and an escrow period of 24 months. These options were valued at \$175,000.

On 10 February 2022, the company's shareholders approved that:

- The name of the company be changed to Bridge SaaS Limited.
- The company subdivide the issued share capital of the company on the basis that every one share be subdivided into 21,796.7732 shares, resulting in the number of shares on issue to increase from 1.455 to 31,714,306.
- The company change from a proprietary company limited by shares to a public company limited by shares.
- The company adopt a new Constitution.

On 16 February 2022 Mark O'Hare resigned as Company Secretary.

On 16 February 2022 Hannah Cabatit was appointed Company Secretary.

On 4 April 2022 Jamie Conyngham and Hannah Cabatit were appointed as directors of the company.

The company won a new customer contract with a minimum annual value of \$360,000 to \$400,000.

## Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)

### Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 34, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards and Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors.

Director *Rupert Taylor-Price*  
Rupert Taylor-Price (May 20, 2022 18:11 GMT+10)

Dated 18 May 2022

**RSM Australia Partners**

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**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of BRIDGE SAAS LIMITED**  
**(FORMERLY JN SOLUTIONS AUSTRALIA PTY LTD)**

**Opinion**

We have audited the financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) (the Company) which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2021 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 Company 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.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the financial report, which indicates that the Company incurred a loss of \$21,337 (2020: profit of \$785,463) and had net cash outflow from operating activities of \$209,456 (cash inflow 2020: \$2,218,174) for period ended 30 June 2021. 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.

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

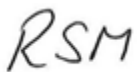
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary 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 Company 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 Company 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: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

A handwritten signature in dark ink that reads 'RSM'.

**RSM Australia Partners**

A handwritten signature in dark ink that reads 'David Talbot'.

**David Talbot**  
Partner

Sydney, NSW  
Dated: 18 May 2022






# FY 2021 Audited Accounts

Final Audit Report

2022-05-20

Created:	2022-05-20
By:	Jamie Conyngham (jamie.conyngham@hivetec.com.au)
Status:	Signed
Transaction ID:	CBJCHBCAABAAEQdeKbtZbXuEZkTnakFqd4Od7J2J2Yx4

## "FY 2021 Audited Accounts" History

-  Document created by Jamie Conyngham (jamie.conyngham@hivetec.com.au)  
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2022-05-20 - 8:11:16 AM GMT

**Bridge SaaS Limited**  
**(formerly JN Solutions Australia Pty Ltd)**  
**ABN 14 130 148 560**

**Half Year Financial Report**  
**for the half year ended 31 December 2021**



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**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Directors Report**  
**For the half year ended 31 December 2021**

The directors submit herewith the financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) for the half-year ended 31 December 2021. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

**Directors**

The following persons were directors of Bridge SaaS Limited during the whole of the financial half-year and up to the date this report was authorised for issue, unless where otherwise stated:

Rupert Taylor-Price	Non-Executive Director and Chairperson
Jamie Conyngham (appointed 4 April 2022)	Executive Director and Chief Executive Officer
Hannah Cabatit (appointed 4 April 2022)	Non-Executive Director

**Company Secretary**

Mark O'Hare (resigned 16 February 2022)  
Hannah Cabatit (appointed 16 February 2022)

**Principal activities**

The company provides integrated client management software solutions to service providers operating within government-funded programs. The core 'Bridge' product is currently accredited to work with a number of government programs in Australia. The Company's products are enterprise-grade and built for large service providers.

**Review of operations**

The company reported a loss after tax of \$277,640 for the period (2020: Profit of \$70,152), driven by a decline in sales revenue and other income to \$988,960 (2020: \$1,287,816).

Software development expenditure \$364,302 (2020: \$400,957) relating to the enhancement of existing products has been capitalised as an intangible asset and amortised over its useful life.

During the period, the company commenced a capital raising process and intends to list on the Australian Stock Exchange. As such, the company entered into an agreement with ARQ Capital Pty Ltd to provide facilitation services in relation to pre-IPO and IPO matters on an exclusive basis. The capital raising includes:

- At-Risk Convertible Note raising of \$111,922 (completed on 23 December 2021 to fund the raising);
- Seed Raising of \$750,000 from issue of 4,687,500 ordinary shares at \$0.16 per share; and
- \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

The At-Risk Convertible Note raising allows the holders to receive 10,659,240 ordinary shares at a price of \$0.0105 on admission to the Official List of ASX on or before 31 July 2022. Redemption of the notes at \$1 per holder occurs at 31 July 2022 and early redemption if the ASX does not approve the In-Principle Application and the company decides to not resubmit an amended application. The company CEO participated in 7.0% of the Notes.

The company has engaged service providers to assist with the listing process. The company appointed Baker Young as Lead Manager and Broker, Nova Legal as Corporate Lawyer and Mirador Corporate as Company Secretary. The company has received positive feedback from the ASX on its In-Principle application and written feedback is pending receipt of the audited financial statements of the most recent financial periods.

**Matters or circumstances arising after the end of the period**

Subsequent to period end the company entered into a contract with Baker Young for its services as Lead Manager which includes share options as fees. The terms for these share options are 2 million options with an exercise price of 25 cents per share, a three-year exercise period and an escrow period of 24 months. These options were provisional valued at \$175,000.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Directors Report**  
**For the half year ended 31 December 2021**

The company also completed the seed capital raising of \$750,000 for 4,687,500 ordinary shares at \$0.16 per share. The monies have been received and are sitting in trust awaiting the completion of the ASX listing process.

On 10 February 2022, the company's shareholders approved that:

- The name of the company be changed to Bridge SaaS Limited.
- The company subdivide the issued share capital of the company on the basis that every one share be subdivided into 21,796.7732 shares, resulting in the number of shares on issue to increase from 1,455 to 31,714,306.
- The company change from a proprietary company limited by shares to a public company limited by shares.
- The company adopt a new Constitution.

On 16 February 2022 Mark O'Hare resigned as Company Secretary.

On 16 February 2022 Hannah Cabatit was appointed Company Secretary.


On 4 April 2022 Jamie Conyngham and Hannah Cabatit were appointed as directors of the company.

The company won a new customer contract with a minimum annual value of \$360,000 to \$400,000.

**Auditor's independence declaration**

The auditor's independence declaration is included on page 4 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

Director:   
Rupert Taylor-Price (May 25, 2022 11:57 GMT+10)

Dated 24 May 2022

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) for the half year period ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

*RSM*

**RSM AUSTRALIA PARTNERS**

*David Talbot*

**David Talbot**  
Partner

Sydney, NSW  
Dated: 24 May 2022

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the half year ended 31 December 2021**

		Half year ended 31 December 2021	Half year ended 31 December 2020
	Note	\$	\$
Sales revenue	4	859,029	961,325
Other income	4	129,931	326,491
		<b>988,960</b>	<b>1,287,816</b>
Employee benefits expense		(424,795)	(424,976)
Depreciation and amortisation		(218,285)	(162,419)
Hosting (Data Centre & Networks)		(270,486)	(325,421)
Sales and marketing		(33,492)	(19,974)
Other expenses		(166,671)	(155,569)
Finance costs		(799)	(1,205)
IPO Related Costs		(58,537)	-
Share incentive expense	6	(66,273)	(6,270)
<b>(Loss) / Profit before income tax</b>		<b>(250,378)</b>	<b>191,981</b>
Income tax expense		(27,262)	(121,829)
<b>(Loss) / Profit after tax</b>		<b>(277,640)</b>	<b>70,152</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive (loss) / income for the year</b>		<b>(277,520)</b>	<b>70,152</b>
<b>Earnings per share</b>			
From continuing operations			
- Basic (cents per share)		(\$500.04)	\$163.91
- Diluted (cents per share)		(\$500.04)	\$142.88

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Consolidated Statement of Financial Position**  
**As at 31 December 2021**

		31 December 2021	30 June 2021
	Note	\$	\$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents		551,504	574,232
Trade and other receivables		626,342	734,785
<b>TOTAL CURRENT ASSETS</b>		<b>1,177,846</b>	<b>1,309,017</b>
NON-CURRENT ASSETS			
Property, plant and equipment		8,110	9,982
Intangible assets	7	1,386,076	1,338,360
Deferred tax assets		86,976	116,391
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,481,162</b>	<b>1,464,733</b>
<b>TOTAL ASSETS</b>		<b>2,659,008</b>	<b>2,773,750</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	8	453,352	287,002
Contract liabilities		270,026	339,088
Employee benefits		70,197	97,486
Income tax payable		-	85,290
<b>TOTAL CURRENT LIABILITIES</b>		<b>793,575</b>	<b>808,866</b>
NON-CURRENT LIABILITIES			
Employee benefits		-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>793,575</b>	<b>808,866</b>
<b>NET ASSETS</b>		<b>1,865,433</b>	<b>1,964,884</b>
<b>EQUITY</b>			
Issued capital	6	189,945	217,472
Reserves	6	217,284	11,570
Retained earnings		1,458,204	1,735,842
<b>TOTAL EQUITY</b>		<b>1,865,433</b>	<b>1,964,884</b>

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Consolidated Statement of Changes in Equity**  
**For the half year ended 31 December 2021**

	Note	Ordinary Shares	Retained Earnings	Share based payments Reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2020</b>		<b>201,876</b>	<b>1,757,179</b>	<b>17,224</b>	<b>1,976,279</b>
Profit for the period		-	70,152	-	70,152
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>70,152</b>	<b>-</b>	<b>70,152</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of rights to shares for employees for service		-	-	6,270	6,270
Conversion of share options to ordinary shares		-	-	-	-
<b>Balance at 31 December 2020</b>		<b>201,876</b>	<b>1,827,331</b>	<b>23,494</b>	<b>2,052,701</b>

	Note	Ordinary Shares	Retained Earnings	Share based payments Reserve	Convertible Instruments Reserve	Total
		\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>		<b>217,472</b>	<b>1,735,844</b>	<b>11,570</b>	<b>-</b>	<b>1,964,886</b>
Loss for the period		-	(277,640)	-	-	(277,640)
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>(277,640)</b>	<b>-</b>	<b>-</b>	<b>(277,640)</b>
<b>Transactions with owners in their capacity as owners</b>						
Issue of convertible notes	6	(35,325)	-	-	211,349	176,024
Issue of rights to shares for employees for service		-	-	2,163	-	2,163
Conversion of share options to ordinary shares		7,798	-	(7,798)	-	-
<b>Balance at 31 December 2021</b>		<b>189,945</b>	<b>1,458,204</b>	<b>5,935</b>	<b>211,349</b>	<b>1,865,433</b>

*The accompanying notes are an integral part of these financial statements.*

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Consolidated Statement of Cash Flows**  
**For the half year ended 31 December 2021**

	Note	Half Year ended 31 December 2021 \$	Half Year ended 31 December 2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers (inclusive of GST)		754,834	1,008,662
Government grants received		462,564	775,977
Payments to suppliers and employees (inclusive of GST)		(901,643)	(1,612,986)
Interest received		17	259
Interest paid		-	(948)
Income tax paid		(86,120)	(299,537)
<b>Net cash provided by / (used in) operating activities</b>		<b>229,652</b>	<b>(128,573)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payment for software development costs		(364,302)	(400,957)
<b>Net cash (used in) investing activities</b>		<b>(364,302)</b>	<b>(400,957)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Loans issued to related parties		-	(560,000)
Proceeds from issue of convertible notes		111,922	-
<b>Net cash provided by / (used in) financing activities</b>		<b>111,922</b>	<b>(560,000)</b>
<b>Net (decrease) in cash and cash equivalents held</b>		<b>(22,728)</b>	<b>(1,089,530)</b>
Cash and cash equivalents at beginning of year		574,232	1,588,413
<b>Cash and cash equivalents at end of financial year</b>		<b>551,504</b>	<b>498,883</b>

*The accompanying notes are an integral part of these financial statements.*



**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the half year ended 31 December 2021**

**1. General Information**

**Statement of Compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

**Basis of Preparation**

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2021 annual financial report for the financial year ended 30 June 2021, except as described below. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

*Accounting Policy – Convertible Notes*

Convertible debt is treated as a compound financial instrument and a 'split accounting' approach is adopted, where the debt component and the conversion option are accounted for separately.

The debt component is initially recognised at its fair value. It is then amortised over its life using the *effective interest method*.

*Going Concern*

The half-year financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the company generated a loss after tax of \$277,640 for the period (2020: profit of \$70,152) for the period ended 31 December 2021; and the Company is reliant on its ability to raise capital in the future in order to continue as going concern.

The factor indicates a material uncertainty which may cast significant doubt as to whether the company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the company will be able to continue as a going concern, after consideration of the following factors:

- The company has prepared detailed budgets and cash flow forecasts to June 2023 which show that the company will continue as a going concern.
- Furthermore, the directors regularly monitor the company's cash position and, on an on-going basis, consider strategic and operational plans to ensure that adequate funding continues to be available for the company to meet its liquidity requirement.
- The company has raised \$750,000 of Seed Raising which will vest upon the company receiving confirmation from the ASX of no objection to the Application for In Principle Advice.
- The company intends to raise \$4,500,000 of capital (being 22.5 million shares at \$0.20 per share) as part of the ASX listing.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the half year ended 31 December 2021**

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the half-year financial report.

The half-year financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

## **2. Adoption of New and Revised Accounting Standards and Interpretations**

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.

## **3. Critical Accounting Estimates and Judgements**

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.

### *Intangible assets – useful life*

Development costs capitalised are in relation to enhancing the functionality of existing software. As at 31 December 2021, the carrying amount of software was \$1.39 million (June 2021: \$1.34 million). The Company commenced capitalisation of costs in the 2019 financial year.

The company estimates the useful life of the software to be five years based on experience since incorporation, position in the market, and reliance on historical programming code. The useful life will be reviewed as market factors change.

### *Issue of Convertible Notes*

Accounting for the issue of convertible notes can be a complex area. Convertible debt is treated as a compound financial instrument and a 'split accounting' approach is adopted, where the debt component and the conversion option are accounted for separately.

The notes were issued to various parties and the company had to consider whether services were being provided for the notes as the accounting treatment differs for service and non-service providers.

Some options were also issued to the CEO and this requires a valuation of those options. The company used a Black Scholes model and the net assets as at 31 December 2021 were used to approximate the value of the shares at the time of the issue of the options (the options were issued close to 31 December 2021). The model also required other inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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**For the half year ended 31 December 2021**

*Share-based payments – fair value estimation*

The fair value is typically estimated using option valuation models, which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life. Typically, these inputs are difficult to estimate for the company given an inactive market for these instruments and the shares not traded on public markets.

#### **4. Segment Reporting**

The company operates within one business segment, being the provision of IT software to businesses and operates solely within Australia.

#### **5. Revenue and Other Income**

##### **Disaggregation of revenue**

The Company derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment above.

	Half Year Ended 31 December 2021 \$	Half Year Ended 31 December 2020 \$
Subscription and licensing revenue (a)	859,029	961,325
Service fee income	-	-
Total Sales revenue	<b>859,029</b>	<b>961,325</b>
Government grant (b)	-	179,200
R&D offset income (b)	129,931	147,291
Total Other income	<b>129,931</b>	<b>326,491</b>
<i>Geographical regions</i>		
Australia	859,029	961,325
<i>Timing of revenue recognition</i>		
Services transferred over time	859,029	961,325

##### **a) Subscription and licensing revenue**

Subscription and licensing revenue relates to revenue generated from the company's in-house developed software solution, Bridge. It is a government accredited operational platform that provides integrated client management solutions to service providers of numerous government-funded programs.

##### **b) Government Grant**

##### **i. JobKeeper Payment**

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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This program was intended to help keep more Australians in jobs and support businesses affected by the significant economic impact of COVID-19. The original JobKeeper was in place until 27 September 2020. On 21 July 2020, the government announced the extension of JobKeeper to 28 March 2021 at modified rates and eligibility. JobKeeper was either paid directly to stood down employees or subsidised the wages of those still working.

**ii. Cash flow boost**

The Cash Boost scheme provides eligible entities with additional cash flow as a reduction to their BAS account with the ATO. The grant is recognised as income when the company is reasonably assured that it will comply with the conditions attached to it and the grant will be received.

**iii. Research and development offset income**

The company undertakes eligible research and development (R&D) activities and is therefore entitled to claim an R&D offset under the R&D incentive as administered by the Australian Tax Office (ATO).

**6. Convertible Note**

*At-Risk Convertible Notes*

During the period, the company issued 111,922 At-Risk Convertible Notes which are expected to convert to 10,659,240 fully paid ordinary shares at a price of \$0.0105 on admission to the Official List of ASX on or before 31 July 2022 to raise \$111,922 to fund the initial capital raising process. Redemption of the notes is \$1 per holder and occurs at 31 July 2022. Early redemption will apply if the ASX does not approve the In-Principle Application and the company decides to not resubmit an amended application. The company CEO participated in 7.0% of the Notes

Key terms in relation to the At-Risk Convertible Notes (As per term sheets) are as follows:

- Face Value of each Convertible note is \$1.00
- The Convertible Notes will be issued on the Subscription Date and shall be converted or otherwise redeemed on or before 31 July 2022 (Repayment date)
- Each Convertible Note will be convertible into Shares at a conversion price of \$0.0105 (the Conversion Price) such that the maximum number of Shares issued on conversion of the Convertible Notes is an amount equal to the Principal Amount divided by the Conversion Price (Maximum Conversion Shares)
- The Convertible Notes will automatically convert in whole into the number of Shares (Final Conversion Shares) immediately prior to the Company issuing the Shares which are offered to the general public under the prospectus issued for the purpose of the Company's IPO
- On the Repayment Date unless the Convertible Notes are otherwise redeemed under an Early Redemption or converted into Shares prior to the Repayment Date; or Occurrence of an Event of Default Early Redemption occurs if the ASX does not approve the Company's In principle application and the Company decides to not amend and resubmit the In-Principle Application at that time. The company must redeem the whole of the Convertible Notes for aggregate consideration of \$1
- Conversion Shares issued on conversion of the Convertible Notes will be fully paid, will be unencumbered, and will rank pari passu in all respects with the fully paid ordinary shares in the Company on issue
- The Subscriber will be able to attend general meetings of the Company but is not entitled to vote prior to conversion of the Convertible Notes into Final Conversion Shares

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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- Before conversion, the Subscriber is not entitled to participate in rights issues, returns of capital or bonus issues of the Company
- If there is a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, then the number of Conversion Shares into which each Convertible Note is convertible will be adjusted in a manner consistent with the Corporations Act and, if applicable, the ASX Listing Rules at the time of such reconstruction so that the Convertible Notes are convertible into the same percentage of the issued ordinary share capital of the Company as the percentage into which they are convertible immediately before the relevant reconstruction and in a manner which will not result in any additional benefits being conferred on the Subscriber which are not conferred on the shareholders of the Company

Based on these terms, the company has classified the At-Risk Convertible Notes as a compound instrument which contains both a liability component (obligation to pay the principal) and an equity component (the conversion feature).

The debt component has been recognised at its fair value at inception and the Conversion feature has been assessed as equity in line with AASB 132 due to the fact that the Company is exchanging a fixed amount of cash for a fixed number of its own equity instruments. An amount of \$211,349 representing the equity component has been recognised in the convertible instrument reserve.

The At-Risk Convertible Notes were also assessed as to whether any are within the scope of AASB 2 *Share based payments*.

The company deemed that the only services provided relates to the notes issued to Black Trojan.

Black Trojan subscribed to 46,773 at-risk convertible notes and has a common Director with ARQ Capital, being Michael Nitsche. ARQ Capital will provide pre-IPO and IPO facilitation services and ad hoc services during the IPO process.

AASB 2 contains a rebuttable presumption that, for transactions with parties other than employees, the share-based payment shall be valued based on the fair value of the services received, not the fair value of the shares or options issued and the company was provided with a quote for the value of these services from ARQ Capital.

The split between equity vs profit or loss was made based on the existing and new share capital. An amount of \$35,325 has been recognised as share issue cost in equity and \$34,676 has been recognised as an IPO expense.

The notes issued to the Conyngham Holdings were also measured under AASB 2

Conyngham Holdings subscribed to 7,875 at-risk convertible notes for \$7,875. Jamie Conyngham is the current Chief Executive Officer (CEO) of the company.

These options were valued using a Black Scholes model.

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	Dividend yield	Risk-free interest rate	Fair value at grant date	Total value of option granted
28 December 2021	31 July 2022	0.0601	\$0.0105	70.00%	0%	3.529%	\$0.0497	\$37,308

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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**7. Borrowings**

The Company has no current or non-current bank loans.

**8. Intangible assets**

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Software Development Costs</b>		
At cost	2,164,128	1,899,998
Accumulated amortisation	(778,052)	(561,638)
Accumulated impairment	-	-
Software carrying amount	<b>1,386,076</b>	<b>1,338,360</b>

Movement in the carrying amounts for each class of intangible assets for the year end is shown below.  
Software is amortised over a five-year useful life.

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Balance at the beginning of year	1,338,076	1,021,029
Additions	264,130	633,937
Amortisation and depreciation expense	(216,414)	(316,606)
<b>Balance at end of the period</b>	<b>1,386,076</b>	<b>1,338,360</b>

**9. Trade and other payables**

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Trade payables	407,311	191,056
Accruals	38,440	84,396
GST payable	7,601	11,549
<b>Total trade and other payables</b>	<b>453,352</b>	<b>287,002</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the half year ended 31 December 2021**

**10. Related parties**

**a) Key management personnel compensation**

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

**b) Transactions with other related parties**

Rupert Taylor-Price is a non-executive Director of the company and is also a Director of Vault Systems Pty Ltd. JN Solutions Australia Pty Ltd utilises a shared office space and common hosting environment with Vault Systems. Vault Systems Pty Ltd provided services which amounted to \$312,486 (2020: \$373,621) during the reporting period on normal commercial terms.

**c) Outstanding balances arising from sales/purchases of goods and services**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	<b>31 December 2021 \$</b>	<b>30 June 2021 \$</b>
Vault Systems Pty Ltd	201,678	143,378
	<b>201,678</b>	<b>143,378</b>

**11. Financial Instruments**

***Financial risk management objectives***

The company'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 company'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 and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

**a) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible since the counterparties are government institutions with high quality external credit ratings.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Notes to the Financial Statements**  
**For the half year ended 31 December 2021**

*Trade receivables and contract assets*

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. On a geographical basis, the Company has significant credit risk exposures in Australia given the location of its operations in this region.

**b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and term deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below includes the remaining contractual maturities of non-derivative financial liabilities:

<b>31 December 2021</b>	<b>Less than 6 months</b>	<b>6-12 months</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying Amount</b>
Trade and other payables	443,858	-	-	5,494	449,352	449,352
<b>Total non-derivatives</b>	<b>443,858</b>	<b>-</b>	<b>-</b>	<b>5,494</b>	<b>449,352</b>	<b>449,352</b>

<b>30 June 2021</b>	<b>Less than 6 months</b>	<b>6-12 months</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying Amount</b>
Trade and other payables	281,508	-	-	5,494	287,002	287,002
<b>Total non-derivatives</b>	<b>281,508</b>	<b>-</b>	<b>-</b>	<b>5,494</b>	<b>287,002</b>	<b>287,002</b>

**c) Market risk**

**i. Price risk**

The Company is susceptible to change in market prices for the services rendered to customers based on demand and supply economics and technological change.

**ii. Foreign exchange risk and Interest rate risk**

The Company is not exposed to risk in currency fluctuations from trade. The company does not have any borrowings that fluctuate because of changes in market interest rates and is therefore not exposed to interest rate risk.

**12. Events Occurring After the Reporting Date**

Subsequent to period end the company entered into a contract with Baker Young for its services as Lead Manager which includes share options as fees. The terms for these share options are 2 million options with an exercise price of 25 cents per share, a three-year exercise period and an escrow period of 24 months. These options were provisionally valued at \$175,000.



**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
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**For the half year ended 31 December 2021**

The company also completed the seed capital raising of \$750,000 for 4,687,500 ordinary shares at \$0.16 per share. The monies have been received and are sitting in trust awaiting the completion of the ASX listing process.

On 10 February 2022, the company's shareholders approved that:

- The name of the company be changed to Bridge SaaS Limited.
- The company subdivide the issued share capital of the company on the basis that every one share be subdivided into 21,796.7732 shares, resulting in the number of shares on issue to increase from 1.455 to 31,714,306.
- The company change from a proprietary company limited by shares to a public company limited by shares.
- The company adopt a new Constitution.

On 16 February 2022 Mark O'Hare resigned as Company Secretary.

On 16 February 2022 Hannah Cabatit was appointed Company Secretary.

On 4 April 2022 Jamie Conyngham and Hannah Cabatit were appointed as directors of the company.


The company won a new customer contract with a minimum annual value of \$360,000 to \$400,000.

**Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd)**  
**Directors' Declaration**

The directors of the Company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards and Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 31 December 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors.

Director  Rupert Taylor-Price (May 25, 2022 11:57 GMT+10)

Dated 24 May 2022

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

**TO THE MEMBERS OF**

**BRIDGE SAAS LIMITED  
(FORMERLY JN SOLUTIONS AUSTRALIA PTY LTD)**

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

We have reviewed the accompanying half-year financial report of Bridge SaaS Limited (formerly JN Solutions Australia Pty Ltd) which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Bridge SaaS Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

### *Independence*

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

### *Material Uncertainty Related to Going Concern*

We draw attention to Note 1 in the half-year financial report, which indicates that the Company incurred a net loss of \$277,640 during the half year ended 31 December 2021. 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 conclusion is not modified in respect of this matter.

### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bridge SaaS Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

A handwritten signature in dark ink that reads 'RSM'.

**RSM AUSTRALIA PARTNERS**

A handwritten signature in dark ink that reads 'David Talbot'.

**David Talbot**  
Partner

Sydney, NSW  
Dated: 24 May 2022






# Bridge SaaS Limited Audited Accounts H1 FY22

Final Audit Report

2022-05-25

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