

**HearMeOut Limited**

**ACN 614 043 177**

**Financial Statements**

**For the period from  
4 August 2016 (date of incorporation)  
through to  
31 August 2016**

## HearMeOut Limited

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## HearMeOut Limited Corporate Directory

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### **Board of Directors**

Non- Executive Chairman – Mr Howard Digby  
Non-Executive Director – Dr Anton Uvarov  
Non-Executive Director – Mr Paul Brown

### **Company Secretary**

Company Secretary - Peter Webse

### **Principal Place of Business / Registered Office**

Level 2, 50 Kings Park Road  
West Perth WA 6005

### **Postal Address**

PO Box 271  
West Perth WA 6872

### **Contact Details**

Telephone: 08 6377 8043  
ACN 614 043 177

### **Auditors**

BDO Audit (WA) Pty Ltd  
38 Station Street  
Subiaco WA 6008

### **Lawyers**

GTP Legal  
68 Aberdeen Street  
Northbridge WA 6003

### **Bankers**

National Australia Bank  
1232 Hay Street  
West Perth WA 6005

## HearMeOut Limited

### Directors' Report

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Your Directors present their report pertaining to HearMeOut Limited ("the Company" or "HMO") for the period from 4 August 2016 (date of incorporation) through to 31 August 2016 ("the Period").

#### ➤ INFORMATION ON DIRECTORS

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##### 1. BOARD OF DIRECTORS

The names and details of the Company's Directors in office during the Period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Position	Appointed	Resigned
Mr Howard Digby	Non-Executive Chairman	4/08/2016	-
Dr Anton Uvarov	Non-Executive Director	4/08/2016	-
Mr Paul Brown	Non-Executive Director	15/09/2016	-
Mr Peter Webse	Non-Executive Director	4/08/2016	15/09/2016

**Mr Howard Digby**  
**BE (Hons)**  
**Non-Executive Chairman**  
**Appointed: 4 August 2016 to Current**

Howard Digby began his career at IBM and has spent over 25 years managing technology related businesses in the Asia Pacific region, of which 12 years were spent in Hong Kong. More recently, he was with The Economist Company as Regional Managing Director. Prior to this he held senior regional management roles at Adobe and Gartner. Upon returning to Perth, Mr Digby served as Executive Editor of WA Business News and now spends his time as an advisor and investor having played key roles in a number of M&A and reverse takeover transactions.

Mr Digby has held a number of executive and non-executive director positions with ASX listed companies. Mr Digby is a non-executive Director of Estrella Resources (ASX:ESR) and 4DS Memory Limited (ASX:4DS). Digby is currently an advisor to a number of private and start up technology businesses. Mr Digby holds a Bachelor of Engineering (Mechanical) Honours, from The University of Western Australia

**Dr Anton Uvarov**  
**PhD BioChem.Med.Gen, MBA**  
**Non-Executive Director**  
**Appointed: 4 August 2016 to Current**

Dr. Uvarov has significant experience as an equity analyst both domestically and internationally. Prior to moving to Australia he was with CitiCompany Global Markets where he spent two years as a member of New York based Healthcare team. Dr. Uvarov's technical expertise and company knowledge spreads across variety of industries and spectrum of market capitalizations with his particular interest in early stage startups.

Dr. Uvarov holds a PhD degree from the University of Manitoba, Canada and an MBA degree from the University of Calgary, Canada. He is currently a Director of Actinogen Medical (ASX:ACW) - an Australian clinical stage biotechnology company developing therapies for Alzheimer's and other neurodegenerative diseases, and Imugene Limited (ASX:IMU) - an Australian immuno-oncology company.

# HearMeOut Limited

## Directors' Report

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### Mr Paul Brown

**B Eng. GradDipMinExplGeoSci.**

**Non-Executive Director**

**Appointed: 15 September 2016 - Current**

Paul is a seasoned wealth management advisor with 18 years' experience at Macquarie Bank servicing individuals, Self-Managed Super Fund Trustees and corporate executives. As a retail and institutional stockbroker he gained significant direct equity experience and he was responsible for a number of highly successful primary and secondary capital raisings. Paul used this experience to best serve the needs of clients during the Global Financial Crisis of 2008 and its aftermath. Mr Brown holds a Bachelor of Engineering degree and a Graduate Diploma in Mineral Exploration Geoscience.

### Mr Peter Webse

**B.Bus, FGIA, FCPA, MAICD (resigned 15 September 2016)**

**Appointed: 4 August 2016 to 15 September 2016**

Mr Webse has over 25 years' company secretarial experience and is managing director of Platinum Corporate Secretariat Pty Ltd, a company specialising in providing company secretarial, corporate governance and corporate advisory services. Mr Webse holds a Bachelor of Business with a double major in Accounting and Finance, is a Fellow of the Governance Institute of Australia, a Fellow Certified Practising Accountant and a Member of the Australian Institute of Company Directors.

## Directors' security holdings

As at the date of this report, the interests of the Directors in the shares of the Company are listed in the table below. Some of the Directors also hold Convertible Notes which, on completion of the Initial Public Offer and the Company's admission to the Australian Securities Exchange ("ASX") Official List, will automatically convert into fully paid ordinary shares, each at a price of \$0.15 per Share (25% discount to the Offer issue price).

<b>Name</b>	<b>Fully paid ordinary shares</b>	<b>Convertible note</b>
Mr Howard Digby (a)	-	20,000
Dr Anton Uvarov (a)	300,000	20,000
Mr Paul Brown (b)	1,500,000	34,500
Mr Peter Webse (c)	-	-
<b>Total</b>	<b>1,800,000</b>	<b>74,500</b>

- (a) Mr Digby and Dr Uvarov were appointed on 4 August 2016. They hold 20,000 convertible notes each that will convert into 133,333 ordinary fully paid shares, respectively, upon successful completion on an IPO and listing on the ASX.
- (b) Mr Paul Brown was appointed on 15 September 2016. He holds 34,500 convertible notes that will convert into 230,000 ordinary fully paid shares upon successful completion on an IPO and listing on the ASX; and
- (c) Mr Peter Webse was appointed on 4 August 2016 and resigned on 15 September 2016.

## 2. DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's Directors held while each Director was in the office and the number of meetings attended by each Director.

## HearMeOut Limited

### Directors' Report

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Director	Number of meetings available to attend	Number of meetings attended
Mr Howard Digby	5	5
Dr Anton Uvarov	5	5
Mr Paul Brown	0	0
Mr Peter Webse	5	5

### 3. COMPANY SECRETARY

Mr Peter Webse held the position of Company Secretary during the Period.

### 4. SHARES UNDER OPTION

As at the date of this report, there were no unissued ordinary shares under option.

## ➤ OPERATIONS AND FINANCIAL REVIEW

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### 5. PRINCIPAL ACTIVITIES

HearMeOut was recently incorporated as an Australian public company for the purpose of being listed on the Australian Securities Exchange ("ASX") and to become the parent company of HearMeOut Israel. Subject to the execution of a Share Swap Agreement and various conditions precedent being met, HearMeOut will acquire 100% of the issued capital of HearMeOut Israel; and any intellectual property rights attached to the HearMeOut App will be assigned to the Company.

The HearMeOut App is a mobile application (iOS, android) that enables users to record 42 seconds of audio, add description, category and speak what's on their minds, share their thoughts and listen to others on the go, hands-free (in drive mode), in a super simple way.

### 6. REVIEW OF OPERATIONS

The financial performance of the Company for the Period ended 31 August 2016 is as follows:

	<b>For the period from 4 August 2016 (date of incorporation) to 31/08/2016</b>
	<b>\$</b>
Revenue (\$)	-
Net loss after tax (\$)	<b>(67,338)</b>
Dividend (\$)	-

All expenditure during the Period was related to corporate and administration expenditure that typically accompanies the incorporation of a company; and the preparation and consultation of issuing a Prospectus and conducting an Initial Public Offer prior to listing on the ASX.

## HearMeOut Limited

### Directors' Report

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The financial position of the Company as at 31 August 2016 is as follows:

	As at 31/08/2016 \$
Cash and cash equivalents	100,504
Loan receivable	665,000
Convertible note	(765,000)
Net assets / Total equity	(66,663)
Contributed equity	675
Accumulated losses	(67,338)

During the Period the Company raised \$765,000 via a convertible note and loaned \$665,000 of this amount to HearMeOut Israel for the carrying on of their business operations.

#### 7. DIVIDENDS

No amounts have been paid or declared by way of dividend since the date of incorporation.

#### 8. OPTIONS

No options over issued shares or interests in the company or the controlled entity were granted during or since the end of the Period, and there were no options outstanding as at the date of this report.

No shares were issued during or since the end of the Period as a result of the exercise of an option over unissued shares or interests.

#### 9. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the Period.

#### 10. EVENTS SUBSEQUENT TO THE END OF THE PERIOD

- By way of a prospectus yet to be issued, the Company will be offering 27,500,000 Shares at an offer price of \$0.20 each to raise a Minimum Subscription amount of \$5,500,000 (before costs of the Offer). Oversubscriptions of a further 5,000,000 Shares at an offer price of \$0.20 each to raise a further \$1,000,000 may be accepted ("Offer"). A Maximum Subscription amount of \$6,500,000 may be accepted under the Offer.

Other than what has been mentioned above, no matters or circumstances have arisen since the end of the Period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of the Company in subsequent financial periods.

#### 11. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the Company and the expected results of those operations in future financial periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

**12. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

During the Period, the Company entered in to Deeds of Indemnification with the Directors and Officers of the Company. However, there have been no premiums paid to insure the Directors and Officers of the Company. The Company will look to insure the Directors and Officers of the Company.

**13. PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied for leave of Court, under section 237 of the *Corporations Act 2001*, to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or part of these proceedings. The Company was not a party to any such proceedings during the Period.

**14. ENVIRONMENTAL REGULATIONS**

The Company's operations are not subject to significant environmental regulation under the Australian Commonwealth or State law.

**15. AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* for the Period ended 31 August 2016 forms a part of the Directors' Report and can be found on page 7.

No officer of the Company is or has been a partner/director of any auditor of the Company.

Signed in accordance with a resolution of the Board of Directors.



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Dr Anton Uvarov  
Non-Executive Director  
Perth, Western Australia  
Date: 6 October 2016



DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF HEARMEOUT LIMITED

As lead auditor of HearMeOut Limited for the period ended 31 August 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Phillip Murdoch  
Director

BDO Audit (WA) Pty Ltd  
Perth, 6 October 2016

**HearMeOut Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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		For the period from 4 August 2016 (date of incorporation) to 31 August 2016
	Note	\$
Revenue from continuing operations		-
Other income		-
<i>Total revenue &amp; other income</i>		-
Corporate administration expenses	3	(67,338)
<i>Total expenses</i>		(67,338)
<b>Loss Before Income Tax</b>		<b>(67,338)</b>
Income tax benefit/(expense)		-
<b>Loss for the Year</b>		<b>(67,338)</b>
Other comprehensive income for the Period net of tax		-
<b>Total comprehensive loss for the Year</b>		<b>(67,338)</b>

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

**HearMeOut Limited**  
**Statement of Financial Position**  
**As at 31 August 2016**

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		As at 31 August 2016
	Note	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	6	100,504
Trade and other receivables	7	5,227
Loan receivable	8	665,000
<b>TOTAL CURRENT ASSETS</b>		<b>770,731</b>
<b>TOTAL ASSETS</b>		<b>770,731</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	9	72,394
Convertible notes	10	765,000
<b>TOTAL LIABILITIES</b>		<b>837,394</b>
<b>NET LIABILITIES</b>		<b>(66,663)</b>
<b>EQUITY</b>		
Contributed equity	11	675
Accumulated losses		(67,338)
<b>TOTAL DEFICIENCY IN EQUITY</b>		<b>(66,663)</b>

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

**HearMeOut Limited**  
**Statement of Cash Flows**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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		For the period from 4 August 2016 (date of incorporation) to 31 August 2016
	Note	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers	6	(171)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(171)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares		675
Proceeds from issue of convertible notes		100,000
<b>Net cash inflow from financing activities</b>		<b>100,675</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>100,504</b>
Cash and cash equivalents at beginning of the Period		-
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	6	<b>100,504</b>

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

**HearMeOut Limited**  
**Statement of Changes in Equity**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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	Contributed Equity \$	Accumulated Losses \$	Total \$
<b>Balance as at 4/8/2016 (date of incorporation)</b>	-	-	-
Loss for the Period	-	(67,338)	(67,338)
Other comprehensive income	-	-	-
Total comprehensive income for the Period	-	(67,338)	(67,338)
Transactions with equity holders in their capacity as equity holders:			
Shares issued during the Period	675	-	675
Capital raising costs	-	-	-
<b>Balance as at 31/8/2016</b>	<b>675</b>	<b>(67,338)</b>	<b>(66,663)</b>

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

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**1. CORPORATE INFORMATION**

The financial statements and notes represent those of HearMeOut Limited ("the Company" or "HMO") for the period from 4 August 2016 through to 31 August 2016 ("the Period"); and were authorised in accordance with a resolution of Directors on 6 October 2016.

The Company is a for-profit company limited by shares incorporated and domiciled in Australia. The nature of operations and principal activities of the Company are described in the Directors' Report.

**Going concern**

The Directors have prepared the financial statements on the going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business. The Company recognises it incurred a loss of \$67,338 for the Period from 4 August 2016 (date of incorporation) through to 31 August 2016 and has a net asset deficit of \$66,663. The Company will require further funding in order to meet its day to day obligations and successfully progress commercialising its products, this requirement for further funding gives rise to a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore be able to realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the financial report.

The Directors are satisfied that further funding will be able to be obtained through further equity contributions from investors or from debt. Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded assets or liabilities that might be necessary should the Company not continue as a going concern.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

**(a) Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Corporations Act 2001*. The financial statements have been prepared on a going concern basis.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded off to the nearest dollar unless stated otherwise.

**(b) Compliance with AASB & IFRS**

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

**(c) Historical cost convention**

These financial statements have been prepared under the historical cost convention.

**(d) Critical accounting estimates**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**(e) Cash and cash equivalents**

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

**(f) Trade receivables**

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the statement of comprehensive income within impairment losses – financial assets. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against impairment losses – financial assets in the statement of comprehensive income.

**(g) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(h) Contributed equity**

Ordinary issued share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in share proceeds received.

**(i) Trade and other payables**

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

**(j) Financial Liabilities**

Convertible notes are issued by the Company and automatic conversion is contingent on completion of an initial public offering and the Company's admission to the ASX's Official List. The number of shares to be issued does not vary with changes in their fair value. The liability component of the convertible note is recognised at the fair value of a similar liability that does not have an equity conversion option. Refer to Note 10 for further details of the terms of the convertible notes.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**(k) New accounting standards and interpretations adopted**

The following standards and interpretations have been adopted by the Company:

Reference	Title	Application date of standard*	Application date for Company*
AASB 2013-9	<i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i> The Standard contains three main parts and makes amendments to a number of Standards and Interpretations. Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1. Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards. Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 <i>Hedge Accounting</i> into AASB 9 <i>Financial Instruments</i> .	1 January 2015	1 July 2015
AASB 2015-3	<i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i> The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 July 2015
AASB 2015-4	<i>Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Companies with a Foreign Parent</i> The amendment aligns the relief available in AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> in respect of the financial reporting requirements for Australian Companies with a foreign parent.	1 July 2015	1 July 2015

\*Designates the beginning of the applicable annual reporting period unless otherwise stated.

The company has not yet determined the impact of the above new and amended accounting standards.

**(l) New accounting standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Company. These new standards and interpretations are set out below.

Reference	Title	Summary	Application date of standard*	Application date for Company*
AASB 9	<i>Financial Instruments</i>	AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.  AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments.  Classification and measurement  AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. There are also some changes made in relation to financial liabilities.	1 January 2018	1 July 2018



**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

Reference	Title	Summary	Application date of standard*	Application date for Company*
		<p>The main changes are described below.</p> <p><i>Financial assets</i></p> <ol style="list-style-type: none"> <li>Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.</li> <li>Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</li> <li>Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</li> </ol> <p><i>Financial liabilities</i></p> <p>Changes introduced by AASB 9 in respect of financial liabilities are limited to the measurement of liabilities designated at fair value through profit or loss (FVPL) using the fair value option.</p> <p>Where the fair value option is used for financial liabilities, the change in fair value is to be accounted for as follows:</p> <ul style="list-style-type: none"> <li>▶ The change attributable to changes in credit risk are presented in other comprehensive income (OCI)</li> <li>▶ The remaining change is presented in profit or loss</li> </ul> <p>AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains or losses attributable to changes in the entity's own credit risk would be recognised in OCI. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount.</p> <p><i>Impairment</i></p> <p>The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.</p> <p><i>Hedge accounting</i></p> <p>Amendments to AASB 9 (December 2009 &amp; 2010 editions and AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.</p> <p>Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E.</p> <p>AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014.</p> <p>AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.</p>		

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

Reference	Title	Summary	Application date of standard*	Application date for Company*
AASB 15	Revenue from Contracts with Customers	<p>AASB 15 <i>Revenue from Contracts with Customers</i> replaces the existing revenue recognition standards AASB 111 <i>Construction Contracts</i>, AASB 118 <i>Revenue</i> and related Interpretations (Interpretation 13 <i>Customer Loyalty Programmes</i>, Interpretation 15 <i>Agreements for the Construction of Real Estate</i>, Interpretation 18 <i>Transfers of Assets from Customers</i>, Interpretation 131 <i>Revenue—Barter Transactions Involving Advertising Services</i> and Interpretation 1042 <i>Subscriber Acquisition Costs in the Telecommunications Industry</i>). AASB 15 incorporates the requirements of IFRS 15 <i>Revenue from Contracts with Customers</i> issued by the International Accounting Standards Board (IASB) and developed jointly with the US Financial Accounting Standards Board (FASB).</p> <p>AASB 15 specifies the accounting treatment for revenue arising from contracts with customers (except for contracts within the scope of other accounting standards such as leases or financial instruments). The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:</p> <ul style="list-style-type: none"> <li>(a) Step 1: Identify the contract(s) with a customer</li> <li>(b) Step 2: Identify the performance obligations in the contract</li> <li>(c) Step 3: Determine the transaction price</li> <li>(d) Step 4: Allocate the transaction price to the performance obligations in the contract</li> <li>(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation</li> </ul> <p>AASB 2015-8 amended the AASB 15 effective date so it is now effective for annual reporting periods commencing on or after 1 January 2018. Early application is permitted.</p> <p>AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.</p>	1 January 2018	1 July 2018 Note A
AASB 16	Leases	<p>The key features of AASB 16 are as follows:</p> <p>Lessee accounting</p> <ul style="list-style-type: none"> <li>• Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.</li> <li>• A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities.</li> <li>• Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.</li> <li>• AASB 16 contains disclosure requirements for lessees.</li> </ul> <p>Lessor accounting</p> <ul style="list-style-type: none"> <li>• AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.</li> <li>• AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk</li> </ul>	1 January 2019	1 July 2019

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

Reference	Title	Summary	Application date of standard*	Application date for Company*
		<p>exposure, particularly to residual value risk.</p> <p>AASB 16 supersedes:</p> <p>(a) AASB 117 Leases</p> <p>(b) Interpretation 4 Determining whether an Arrangement contains a Lease</p> <p>(c) SIC-15 Operating Leases—Incentives</p> <p>(d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease</p> <p>The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 Revenue from Contracts with Customers, has been applied, or is applied at the same date as AASB 16.</p>		

\* Designates the beginning of the applicable annual reporting period unless otherwise stated.

The impact of the adoption of all of these new and revised standards and interpretations has not yet been assessed by the Company.

### 3. EXPENSES

	For the period from 4 August 2016 (date of incorporation) to 31 August 2016 \$
<b>Expenses</b>	
<i>Corporate administration expenses</i>	
Legal and administrative	56,747
Travel and accommodation	10,591
	<b>67,338</b>

### 4. FINANCIAL RISK MANAGEMENT

The Company's activities expose to market risk, credit risk and liquidity risk. The Company's overall risk in these areas is not significant enough to warrant a formalised specific risk management program.

Risk management is carried out by the Board of Directors in their day to day function as the overseers of the business.

Set out below is an overview of the financial instruments held by the Company as at 31 August 2016:

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

	Cash and cash equivalents	Loan and receivables	Total
As at 31/8/2016	\$	\$	\$
<b>Financial assets:</b>			
Cash & cash equivalents	100,504	-	100,504
Trade and other receivables	-	5,227	5,227
Loan receivable		665,000	665,000
<b>Total current</b>	<b>100,504</b>	<b>670,227</b>	<b>770,731</b>
<b>Total assets</b>	<b>100,504</b>	<b>670,227</b>	<b>770,731</b>
<b>Financial liabilities:</b>			
Trade and other payables	-	72,394	72,394
Convertible note payable	-	765,000	765,000
<b>Total current</b>	<b>-</b>	<b>837,394</b>	<b>837,394</b>
<b>Total liabilities</b>	<b>-</b>	<b>837,394</b>	<b>837,394</b>
<b>Net exposure</b>	<b>100,504</b>	<b>(167,167)</b>	<b>(66,663)</b>

**(a) Market Risk**

*(i) Interest rate risk*

The Company's main interest rate risk exposure relates primarily to the Company's cash at bank that is held with variable interest rates. The Company does not rely on the generation of interest on cash and cash equivalents to provide for working capital and as a result does not consider this to be material. The Company therefore has not undertaken any further analysis of exposure.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligations. The Company's main credit risk exposure relates to the financial assets of the Company, which comprise cash and cash equivalents and trade and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments.

The carrying amount of financial assets included in the statement of financial position represents the Company's maximum exposure to credit risk in relation to those assets. The Company does not hold any credit derivatives to offset its credit exposure. The Company trades only with recognised, credit worthy third parties and as such collateral is not requested nor is it the Company's policy to securitise its trade and other receivables. Receivable balances are monitored on an ongoing basis with the result that the Company does not have a significant exposure to bad debts. The Company has no significant concentrations of credit risk except for cash held with National Australia Bank and various receivables with recognised third parties.

*(i) Cash*

The Directors believe that there is negligible credit risk with the Company's cash and cash equivalents, as funds are held at call with National Australia Bank, a reputable Australian Banking institution.

*(ii) Trade and other receivables*

While the Company has policies in place to ensure that transactions with third parties have an appropriate credit history, the management of current and potential credit risk exposures is limited as far as is considered commercially appropriate. Up to the date of this report, the Board has placed no requirement for collateral on existing debtors. No debtors are past their due date.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial liabilities as and when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, 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. Surplus funds are generally only invested at call or in bank bills that are highly liquid and with maturities of less than six months.

*(i) Financing arrangements:*

The Company does not have any financing arrangements.

*(ii) Maturities of financial liabilities:*

The Company's debt relates to trade payables, whereby payments are generally due within 30 days, and a convertible note liability which on completion of the Initial Public Offering and the Company's admission to the ASX's Official List (refer to the Company's Prospectus), the Convertible Notes will automatically convert into 5,100,000 Shares, each at a price of \$0.15 per Share (25% discount to the Offer issue price). If this is not completed within six months of the issue of the convertible notes, the convertible note will automatically convert into shares in HearMeOut at a 20% discount to the next equity investment in HearMeOut of at least US\$500,000 (Capital Raising). The Convertible Note will not be repayable in cash at any time.

**(d) Fair Value Measurements**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Accounting standards require disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Company holds no available-for-sale financial assets or liabilities as at 31 August 2016.

**(e) Fair Values**

Set out below is a comparison of the carrying amounts and fair values of financial instruments as at 31 August 2016. The carrying value of trade receivables and trade payables are assumed to approximate their fair value due to their short-term nature.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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<b>At 31/8/2016</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets:</b>		
Trade and other receivables	5,227	5,227
Loan receivable	665,000	665,000
<b>Total current</b>	<b>670,227</b>	<b>670,227</b>
<b>Total financial assets</b>	<b>670,227</b>	<b>670,227</b>
<b>Financial liabilities:</b>		
Trade and other payables	72,394	72,394
Convertible notes	765,000	765,000
<b>Total current</b>	<b>837,394</b>	<b>837,394</b>
<b>Total financial liabilities</b>	<b>837,394</b>	<b>837,394</b>

**5. INCOME TAX**

	<b>As at</b>
	<b>31/08/2016</b>
	<b>\$</b>
Numerical reconciliation of income tax income to prima facie tax payable	
Operating loss before income tax	(67,338)
Tax benefit at the Australian tax rate of 30%	(20,201)
Tax effect of amounts that are not deductible / taxable in calculating taxable income:	
Future income tax benefit not brought to account	20,201
Income tax income / (expense)	-
	<b>As at</b>
	<b>31/08/2016</b>
	<b>\$</b>
<b>Tax Losses</b>	
Unused tax losses for which no deferred tax asset has been recognised.	(67,338)
Potential tax benefit @ 30%	20,201
	<b>20,201</b>

The tax benefit of tax losses and other temporary differences will only arise in the future where the Company derives sufficient net taxable income and is able to satisfy the carried forward tax loss recoupment rules. The Directors believe that the likelihood of the Company achieving sufficient taxable income in the future is not probable and the tax benefit of these tax losses and other temporary differences have not been recognised.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**6. CASH AND CASH EQUIVALENTS**

	As at 31 August 2016 \$
	<hr/>
Cash at bank and on hand	100,504
<b>Total cash and cash equivalents</b>	<hr/> <b>100,504</b> <hr/>

**Reconciliation of net cash flows from operating activities**

	For the period from 4 August 2016 (date of incorporation) to 31 August 2016 \$
	<hr/>
Loss for the year	(67,338)
Non cash items:	
<i>Change in assets and liabilities:</i>	
(Increase) in trade receivables	(5,227)
Increase in trade payables	72,394
	<hr/> <b>(171)</b> <hr/>

**Non cash financing & investing activities**

No non-cash financing and investing activities occurred during the Period.

**Financing facilities available**

As at 31 August 2016, the Company had no financing facilities available. For the purposes of the statement of cash flows, cash includes cash on hand and in banks.

**Interest rate risk exposure**

The Company's exposure to interest rate risk is discussed in Note 4.

**Credit risk exposure**

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

**7. TRADE AND OTHER RECEIVABLES**

	As at 31 August 2016 \$
	<hr/>
Goods and services tax paid	4,977
Share application funds receivable	250
<b>Total trade and other receivables</b>	<hr/> <b>5,227</b> <hr/>

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**(a) Goods and services tax receivable**

This amount relates to good and services tax (GST) paid during the month of August 2016 that is refundable to the Company by the Australian Tax Office.

**(b) Share application funds receivable**

This amount relates to application funds owed on incorporation shares issued but funds not yet received.

None of the current receivables are impaired or past due but not impaired.

**8. LOAN RECEIVABLE**

	As at 31 August 2016 \$
Loan receivable	665,000
<b>Total loan receivable</b>	<b>665,000</b>

During the Period the Company raised \$765,000 through the issue of Convertible Notes (see Note 10 for further information). Of this amount raised, \$665,000 (being US\$500,000 at an exchange rate of US\$1:A\$1.33) was loaned by the Company to HearMeOut Israel to be used for various working capital.

Subject to various conditions precedent being met, including the execution of a Share Swap Agreement, the completion of an initial public offering and the Company's admission to the ASX's Official List, HearMeOut Israel will become the subsidiary of the Company. Following which the loan receivable will become non-current.

Should the conditions precedent not be met, however, the obligation to repay the Loan will be novated to HearMeOut Israel and the Company will be released and have no further obligation to the convertible note holders.

**9. TRADE AND OTHER PAYABLES**

	As at 31 August 2016 \$
Trade and other payables	65,894
Accrued expenses	6,500
<b>Total trade and other payables</b>	<b>72,394</b>

Trade and other payables are non-interest bearing liabilities stated at cost and settled within 30 days.



**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**10. CONVERTIBLE NOTE LIABILITY**

	As at 31 August 2016 \$
Convertible note	765,000
<b>Total convertible note liability</b>	<b>765,000</b>

The Company has \$765,000 worth of Convertible Notes on issue, which were issued during the Period. No interest is payable on the Convertible Notes and the Convertible notes are unsecured.

Subject to completion of an initial public offering and the Company's admission to the ASX's Official List, the Convertible Notes will automatically convert into 5,100,000 Shares, each at a price of \$0.15 per Share (25% discount to the Offer issue price). If this is not completed within six months of the issue of the convertible notes, the convertible notes will automatically convert into shares in HearMeOut at a 20% discount to the next equity investment in HearMeOut of at least US\$500,000 (Capital Raising). The Convertible Note will not be repayable in cash at any time.

**11. CONTRIBUTED EQUITY**

	As at 31 August 2016 \$
Fully paid ordinary shares	675
Capital raising costs	-
<b>Total contributed equity</b>	<b>675</b>

**(a) Share Capital**

Ordinary shares: These shares entitle the holder to participate in dividends and the proposed winding up of the Company in proportion to the number and amount paid on the share held. Effective 1 July 1998 the Corporations legislation in place abolished the concepts of authorised capital and par share values. Accordingly, the Company does not have authorised capital or par value in respect of its issued shares.

**(b) Movement of fully paid ordinary shares during the period were as follows:**

	Date	Quantity	Unit Price \$	Total \$
Incorporation shares	4/08/2016	6,750,000	0.0001	675
<b>Balance at 31/8/2016</b>		<b>6,750,000</b>		<b>675</b>

**(c) Share Options**

As at the date of this report, there were no unissued ordinary shares under option.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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**12. COMMITMENTS**

The only commitment that HearMeOut holds is to the holders of the Convertible Note. Refer to Note 10 for further information. Other than this commitment, the Company has no future commitments existing as at 31 August 2016.

**13. CONTINGENCIES**

The Directors are not aware of any contingent liabilities or assets as at 31 August 2016.

**14. KEY MANAGEMENT PERSONNEL DISCLOSURES**

Key management personnel of HearMeOut Limited are listed below:

<b>Name</b>	<b>Position</b>	<b>Appointed</b>	<b>Resigned</b>
Mr Howard Digby	Non-Executive Chairman	4/08/2016	-
Dr Anton Uvarov	Non-Executive Director	4/08/2016	-
Mr Paul Brown	Non-Executive Director	15/09/2016	-
Mr Peter Webse	Non-Executive Director	4/08/2016	15/09/2016

**(a) Key Management Personnel Compensation:**

	<b>As at 31/08/2016 \$</b>
Short-term employee benefits	-
Post employment benefits	-
Share-based payment	-
	<b>-</b>

There were no benefits paid out during the Period to Key Management Personnel. Director's fees will only be accrued from date of listing. There have been \$5,000 accrued for company secretarial services provided by Mr Webse however, this is in his capacity as Company Secretary, not Director.

As at the date of this report, the interests of the Directors in the shares of the Company are listed in the table below. Some of the Directors also hold Convertible Notes which, on completion of the Initial Public Offer and the Company's admission to the Australian Securities Exchange ("ASX") Official List, will automatically convert into fully paid ordinary shares, each at a price of \$0.15 per Share (25% discount to the Offer issue price). For further information refer to Note 10.

**HearMeOut Limited**  
**Notes to the Financial Statements**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

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<b>Name</b>	<b>Fully paid ordinary shares</b>	<b>Convertible note</b>
Mr Howard Digby (a)	-	20,000
Dr Anton Uvarov (a)	300,000	20,000
Mr Paul Brown (b)	1,500,000	34,500
Mr Peter Webse (c)	-	-
<b>Total</b>	<b>1,800,000</b>	<b>74,500</b>

- (a) Mr Digby and Dr Uvarov were appointed on 4 August 2016. They hold 20,000 convertible notes each that will convert into 133,333 ordinary fully paid shares, respectively, upon successful completion on an IPO and listing on the ASX.
- (b) Mr Paul Brown was appointed on 15 September 2016. He holds 34,500 convertible notes that will convert into 230,000 ordinary fully paid shares upon successful completion on an IPO and listing on the ASX; and
- (c) Mr Peter Webse was appointed on 4 August 2016 and resigned on 15 September 2016.

## **15. RELATED PARTY TRANSACTIONS**

### **(a) Transactions with Key Management Personnel**

Other than what is mentioned in Note 14, there were no transactions with Key Management Personnel and no other related party transactions that occurred during the Period.

## **16. REMUNERATION OF AUDITOR**

	<b>As at</b>
	<b>31/08/2016</b>
	<b>\$</b>
Amounts paid or payable to BDO Audit (WA) Pty Ltd for:	
- An audit or review of the financial statements of the entity	1,500
	<b>1,500</b>

## **17. EVENTS OCCURRING AFTER THE REPORTING PERIOD**

- By way of a prospectus yet to be issued, the Company is offering 27,500,000 Shares at an offer price of \$0.20 each to raise a Minimum Subscription amount of \$5,500,000 (before costs of the Offer). Oversubscriptions of a further 5,000,000 Shares at an offer price of \$0.20 each to raise a further \$1,000,000 may be accepted ("Offer"). A Maximum Subscription amount of \$6,500,000 may be accepted under the Offer.

Other than what has been mentioned above, no matters or circumstances have arisen since the end of the Period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of the Company in subsequent financial periods.

**HearMeOut Limited**  
**Directors' Declaration**  
**For the period from 4 August 2016 (date of incorporation) to 31 August 2016**

In the Directors opinion:

1. The financial statements and notes set out on pages 8 to 25, are in accordance with the *Corporations Act 2001* including:
  - (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (b) giving a true and fair view of the Company's financial position as at 31 August 2016 and of its performance for the Period ended on that date;
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

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



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Dr Anton Uvarov  
Non-Executive Director  
Perth, Western Australia  
Date: 6 October 2016

## INDEPENDENT AUDITOR'S REPORT

To the members of HearMeOut Limited

### Report on the Financial Report

We have audited the accompanying financial report of HearMeOut Limited, which comprises the statement of financial position as at 31 August 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period 4 August 2016 to 31 August 2016, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### Independence

In conducting our audit, 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 HearMeOut Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



## Opinion

In our opinion:

- (a) The financial report of HearMeOut Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) Giving a true and fair view of the Company's financial position as at 31 August 2016 and of its financial performance for the period 4 August 2016 to 31 August 2016; and
  - (ii) Complying with Australian Accounting Standards and *Corporations Regulations 2001*; and
- (b) The financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

## Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the company to continue as a going concern is dependent upon the future successful raising of necessary funding through equity and debt. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line.

Phillip Murdoch

Director

Perth, 6 October 2016