

**Rision Limited**  
**Appendix 4E**  
**Preliminary final report**

**1. Company details**

Name of entity:	Rision Limited
ABN:	47 090 671 819
Reporting period:	For the year ended 30 June 2019
Previous period:	For the year ended 30 June 2018

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**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	down	100.0% to	-
Loss from ordinary activities after tax attributable to the owners of Rision Limited	down	82.9% to	(442,847)
Loss for the year attributable to the owners of Rision Limited	down	82.9% to	(442,847)

*Dividends*

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

*Comments*

The loss for the consolidated entity after providing for income tax amounted to \$442,847 (30 June 2018: \$2,595,190).

**Financial Position**

The net assets of the entity decreased by \$442,847 to net liabilities of (\$1,048,783) as at 30 June 2019 (30 June 2018: net liabilities of \$605,936).

The entity's working capital, being current assets less current liabilities decreased by \$439,404 to a deficiency of (\$1,048,783) (30 June 2018: deficiency of \$609,379).

During the financial year Rision carried out a review of its multifunction rostering solution business whilst exploring potential acquisition opportunities.

Following the internal restructure of the Board and top management during the last quarter of FY 2018, the Company faced operation stagnation during the financial year ended 30 June 2019. As part of the restructure, during this year the Company settled the outstanding debts as agreed with Chapmans Limited. The Board focused on mobilising additional operational funds as a result of which the company raised \$690,000 through loan funding during the financial year ended 30 June 2019.

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**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.07)	(0.04)

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**4. Control gained over entities**

Not applicable.

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## **5. Loss of control over entities**

Not applicable.

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## **6. Dividends**

### *Current period*

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

### *Previous period*

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

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## **7. Dividend reinvestment plans**

Not applicable.

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## **8. Details of associates and joint venture entities**

Not applicable.

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## **9. Foreign entities**

### *Details of origin of accounting standards used in compiling the report:*

The Company's subsidiary Rision Inc is domiciled in a foreign jurisdiction, refer to Note 26 for additional information.

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## **10. Audit qualification or review**

### *Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and a qualified audit report is attached as part of the Annual Report.

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## **11. Attachments**

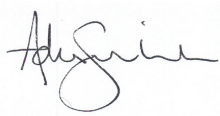
### *Details of attachments (if any):*

The Annual Report of Rision Limited for the year ended 30 June 2019 is attached.

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**Rision Limited**  
**Appendix 4E**  
**Preliminary final report**

**12. Signed**

A handwritten signature in black ink, appearing to read 'A. Sierakowski', is positioned above a horizontal line.

Signed \_\_\_\_\_

Date: 21 February 2020

Adam Sierakowski  
Non-Executive Chairman

**Rision Limited**

**ABN 47 090 671 819**

**Annual Report - 30 June 2019**

**Rision Limited****Contents****30 June 2019**

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**Rision Limited**  
**Corporate directory**  
**30 June 2019**

Directors

Mr Adam Sierakowski (Non-Executive Chairman)  
Mr John Gilfillan (Non-Executive Director)  
Mr Sean McCormick (Non-Executive Director)

Company secretary

Nicki Farley

Registered office

Level 24  
44 St Georges Terrace  
Perth WA 6000  
Phone No.: +61 6211 5099

Principal place of business

Level 24  
44 St Georges Terrace  
Perth WA 6000

Share register

Automic Pty Ltd  
Level 2  
267 St Georges Terrace  
Perth WA 6000  
Tel: (02) 9698 5414

Auditor

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

Stock exchange listing

Rision Limited shares are listed on the Australian Securities Exchange (ASX code: RNL)

**Rision Limited**  
**Directors' report**  
**30 June 2019**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Rision Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2018.

**Directors**

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

Mr Adam Sierakowski (Non- Executive Director) (appointed 8 June 2018), (Non- Executive Chairman) (appointed 30 November 2018)

Mr John Gilfillan (Non-Executive Director) (appointed 30 November 2018)

Mr Sean McCormick (Non-Executive Director) (appointed 30 November 2018)

Paul Steele (as Executive Chairman) (appointed 12 April 2018, resigned 23 May 2018, reappointed 8 June 2018 and resigned 30 November 2018)

Chris Wilson (Non-Executive Director) (appointed 12 April 2018, resigned 30 November 2018)

**Principal activities**

During the financial year the principal continuing activities of the consolidated entity consisted of:

- reviewing its team planning and analytics platform and analytics platform across a broad range of industries including retail, fast food, hospitality, cleaning, security, transport and healthcare
- completed the sale of its Rostercloud platform; and
- reviewing strategic opportunities.

**Dividends**

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

**Review of operations**

The loss for the consolidated entity after providing for income tax amounted to \$442,847 (30 June 2018: \$2,595,190).

**Financial Position**

The net assets of the entity decreased by \$442,847 to net liabilities of (\$1,048,783) as at 30 June 2019 (30 June 2018: net liabilities of \$605,936).

The entity's working capital, being current assets less current liabilities decreased by \$439,404 to a deficiency of (\$1,048,783) (30 June 2018: deficiency of \$609,379).

During the financial year Rision carried out a review of its multifunction rostering solution business whilst exploring potential acquisition opportunities.

Following the internal restructure of the Board and top management during the last quarter of FY 2018, the Company faced operation stagnation during the financial year ended 30 June 2019. As part of the restructure, during this year the Company settled the outstanding debts as agreed with Chapmans Limited. The Board focused on mobilising additional operational funds as a result of which the company raised \$690,000 through loan funding during the financial year ended 30 June 2019.

**Significant changes in the state of affairs**

The Company's securities have been suspended from trading on the ASX since 17 April 2018.

On 15 April 2019, ASX released a revised version of Guidance Note 33 (GN33) stating ASX's policy is to remove from the official list:

- An entity that fails to lodge any of the documents referred to in Listing Rule 17.5 for a continuous period of 1 year after the deadline for lodgement of that document; and
- An entity whose securities have been suspended from quotation for a continuous period of 2 years, whichever occurs first.

**Rision Limited**  
**Directors' report**  
**30 June 2019**

As an entity to which this applies, the Company will be removed from the official list should it fail to comply with the abovementioned Listing Rule 17.5 lodgement requirements or remain continuously suspended for 2 years. In this event, Rision Limited will continue to be a public unlisted company and will, together with its corporate adviser, continue to assess various recapitalisation opportunities for the Company and continue to actively pursue other opportunities to restore shareholder value as well as looking at other funding options for these opportunities. Should it be appropriate, the Company will re-apply for admission to the official list under Chapters 1 & 2 of the Listing Rules.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

**Matters subsequent to the end of the financial year**

Subsequent to the end of the financial year and between July 2019 and February 2020 the company raised \$233,000 through loan funding.

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

**Environmental regulation**

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

**Information on Directors**

Name:	Adam Sierakowski
Title:	Non- Executive Director (appointed 8 June 2018), Non- Executive Chairman (appointed 30 November 2018)
Experience and expertise:	Adam Sierakowski is a lawyer and director of the legal firm Price Sierakowski and is the co-founder and director of Perth based corporate advisory business, Trident Capital. Mr Sierakowski has held a number of board positions with ASX listed companies. He is a member of the Australian Institute of Company Directors and the Association of Mining and Exploration Companies. Adam has over 23 years, experience in legal practice, much of which he has spent advising on a range of commercial and corporate transactions to a variety of large private and listed public clients. He has supported and guided many companies undertaking fundraising activities in Australia and seeking to list on the Australian Stock Exchange ("ASX"). He has specific experience in the areas of mergers and acquisitions, reverse takeovers, IPO's, resources, energy, strategic corporate and structuring advice. He has worked extensively over the last 20 years acting as a non-executive director and advisor to many ASX listed companies in a diverse range of sectors, with particular skills in corporate compliance, governance and strategy.
Other current directorships:	Dragontail Systems (Appointed 14 September 2016), Kinetiko Energy Limited (Appointed 8 December 2010), Coziron Resources Ltd (Appointed 21 October 2010), Connected IO Limited (Appointed 3 December 2018)
Former directorships (last 3 years):	Rision Limited (appointed 24 August 2016, resigned 23 May 2017), Flexiroam Limited (appointed 18 March 2015, resigned 23 August 2016); ResApp Health Limited (appointed 20 December 2013, resigned 22 March 2016); iWebgate Limited (appointed 23 July 2012, resigned 12 February 2016)
Interests in shares:	38,925,005 fully paid ordinary shares



**Rision Limited**  
**Directors' report**  
**30 June 2019**

Name:	Sean McCormick
Title:	(Non-Executive Director) (appointed 30 November 2018)
Experience and expertise:	Sean McCormick (BEC (Hons), LLB) is an Associate Director at Trident Capital, which provides corporate advisory services to ASX listed companies across a wide spectrum of industries, including the resources and technology sectors and is experienced in advising on initial public offerings, seed capital, mergers & acquisitions and reverse takeovers. He has been a Non-Executive Director of ASX listed companies that have required turnaround and restructuring. Sean has previously worked in the restructuring division of a big four professional services firm and prior to that as an associate advisor for a national Australian stockbroker.
Other current directorships:	Empire Oil & Gas NL (ASX: EGO) (appointed 20 March 2018)
Former directorships (last 3 years):	Hughes Drilling Ltd (ASX: HDX) (appointed 16 August 2017, resigned 19 September 2019), Swala Energy Ltd (ASX: SWE), now Symbol Mining Ltd (ASX: SL1) (appointed 27 April 2017, resigned 18 December 2017)
Interests in shares:	None
Name:	John Gilfillan
Title:	(Non-Executive Director) (appointed 30 November 2018)
Experience and expertise:	John Gilfillan has worked in the Financial Services for the last 24 years including operating and owning his own practice for the last 18 years. He has also consulted to various corporate advisors and been involved in numerous ASX transactions. John is an experienced Company Director having been involved in both technology and resource sectors.
Other current directorships:	Empire Oil & Gas NL (appointed 20 March 2018)
Former directorships (last 3 years):	Swala Energy (ASX: SWE) now Symbol Mining (ASX: SL1) (Appointed 27 April 2017, resigned 18 December 2017), Assemblebay Ltd (ASX : ASY) , now Scandivanadium (ASX: SVD) (appointed 19 November 2015, resigned 13 November 2018)
Interests in shares:	4,250,000 fully paid ordinary shares
Name:	Paul Steele
Title:	Executive Chairman (appointed 12 April 2018, resigned 23 May 2018, reappointed 8 June 2018, resigned 30 November 2018)
Experience and expertise:	Mr Steele is the former CEO of Rision Limited. Paul is currently the CEO of donkey wheel foundation - a leading impact investment and philanthropic foundation, Co-Founder of The Difference Incubator - a prominent incubator of investable social enterprises in Australia. He is also co-founder of Ethical Property Australia - a property development and management company seeking to create spaces where organisations can come together to make a difference. He also advises, mentors and coaches; helping people make the world a better place, through the development of leadership, strategy and innovation. Paul is founder and director of Insight Systems International, a SaaS company providing its Contract Management solution to companies like ANZ Bank (Australia) and Department of Energy (USA).
Other current directorships:	Nil
Former directorships (last 3 years):	Dragontail Systems Ltd (Appointed 14 September 2016, resigned 7 March 2018)
Interests in shares:	12,585,090 fully paid ordinary shares

**Rision Limited**  
**Directors' report**  
**30 June 2019**

Name: Chris Wilson  
Title: (Non-Executive Director) (appointed 12 April 2018. resigned 30 November 2018)  
Experience and expertise: Chris Wilson has a background as a commercial lawyer where he practiced for many years. In 1997 Chris co-founded a mobile telecommunications network infrastructure company which he ran for several years. Subsequently, Chris founded and continues to be a director of Beyo Group, a property development company operating in Melbourne. Chris is the current managing director of OC Energy, a national electricity retailer and energy management business which he cofounded. OC Energy is one of Australia's leading electrical embedded network operators. Chris has been extensively involved in the technology sector and has co-founded and invested in several start-ups which he continues to be involved in. Chris hold a Bachelor of Law (Commercial), a Bachelor of Economics (Accounting) and a Graduate Diploma in Commercial Law (Taxation) from Monash University.

Other current directorships: Nil  
Former directorships (last 3 years): Nil  
Interests in shares: None

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

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

**Company secretary**

Nicki Farley (appointed 4 December 2018)

Nicki is an Associate Director of Trident Capital with over 15 years of experience working within the legal and corporate advisory area providing advice in relation to capital raisings, corporate and securities laws, mergers and acquisitions and corporate compliance. Nicki has advised both listed companies internationally and domestically and has also held a number of company secretarial roles for ASX listed companies. Nicki holds a Bachelor of Laws and Arts from the University of Western Australia.

Robert Lees (appointed 12 April 2018, resigned 4 December 2018)

Robert Lee is a member at the Governance Institute of Australia and the Chartered Accountants Australia & New Zealand and holds undergraduate degree from the University of Technology Sydney. Robert has acted as Company Secretary for a number of ASX-listed organisations. He has also been employed in the past as CFO and Non-Executive Director by Esperance Minerals Ltd.

**Meetings of Directors**

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

	Full Board	
	Attended	Held
Adam Sierakowski	1	1
Sean McCormick	1	1
John Gilfillan	1	1

Held: represents the number of meetings held during the time the Director held office.

**Remuneration report (audited)**

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

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

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation
- Additional disclosures relating to key management personnel

***Principles used to determine the nature and amount of remuneration***

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

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

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Board (in performing the roles and responsibilities of the Remuneration and Nomination Committee) has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

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

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

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

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

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

***Non-executive directors remuneration***

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

***Executive remuneration***

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

The executive remuneration and reward framework has four components:

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

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

**Rision Limited**  
**Directors' report**  
**30 June 2019**

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board (performing the roles and responsibilities of the Remuneration and Nomination Committee) based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

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

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

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the consolidated entity's direct competitors.

*Consolidated entity performance and link to remuneration*

Remuneration for certain individuals is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board performing the roles and responsibilities of a Remuneration and Nomination Committee.

Contractual arrangements with executive and non-executive directors during FY1Y:

	<b>Executive Director</b>	<b>Non-executive Director</b>
Fixed remuneration	\$60,000	Range between 36,000 – 80,000 per annum
Contract duration	No going	No going
Notice by the individual/company	Immediate	
Termination of employment (without cause)	No further entitlements	
Termination of employment (with cause) or by individual	No further entitlements	

*Use of remuneration consultants*

There were no external remuneration consultants engaged during the financial year.

*Voting and comments made at the company's Annual General Meeting ('AGM')*

The Company has yet to hold its 2018 Annual General Meeting

**Details of remuneration**

*Amounts of remuneration*

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

**Rision Limited**  
**Directors' report**  
**30 June 2019**

	Short-term benefits			Post-employment benefits	Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Termination benefits \$	Long service leave \$	Equity-settled \$	
<b>2019</b>								
<i>Non-Executive Directors:</i>								
Chris Wilson	25,000	-	-	-	-	-	-	25,000
Paul Steele	25,000	-	-	-	-	-	-	25,000
Adam Sierakowski*	36,000	-	-	-	-	-	-	36,000
Sean McCormick*	21,000	-	-	-	-	-	-	21,000
John Gillfan*	21,000	-	-	-	-	-	-	21,000
	128,000	-	-	-	-	-	-	128,000

\* All amounts have been accrued as at the end of the financial year and will only become payable in the event that the Company completes an acquisition of a business and the Company's securities commence trading on ASX.

	Short-term benefits			Post-employment benefits	Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Termination benefits \$	Long service leave \$	Equity-settled \$	
<b>2018</b>								
<i>Non-Executive Directors:</i>								
Robert Day	27,167	-	-	-	-	-	-	27,167
Alan Hoffman	66,667	-	-	-	-	-	-	66,667
Peter Francis	48,019	-	-	-	-	-	-	48,019
Chris Wilson	8,584	-	-	-	-	-	-	8,584
Paul Guerra	34,091	-	-	-	-	-	-	34,091
Trent Telford	23,737	-	-	-	-	-	-	23,737
Adam Sierakowski	2,200	-	-	209	-	-	-	2,409
<i>Executive Directors:</i>								
Paul Steele	14,000	-	-	-	-	-	-	14,000
<i>Other Key Management Personnel:</i>								
Megan Boston	146,771	-	-	13,943	-	-	-	160,714
Andrew Dale	109,130	-	-	4,131	-	-	-	113,261
Robert Lees	8,526	-	-	-	-	-	-	8,526
Justin Mouchacca	80,000	-	-	-	-	-	-	80,000
	568,892	-	-	18,283	-	-	-	587,175

**Rision Limited**  
**Directors' report**  
**30 June 2019**

1. Robert Day resigned as Non-Executive Director on 1 August 2017.
2. Alan Hoffman resigned as Non-Executive Chairman on 12 April 2018.
3. Peter Francis, Paul Guerra and Trent Telford resigned as Non-Executive Directors on 12 April 2018.
4. Chris Wilson was appointed as Non-Executive Director on 12 April 2018 and resigned on 30 November 2018.
5. Paul Steele was appointed as Executive Chairman during 12 April 2018 to 23 May 2018 and 14 June 2018 to 30 November 2018.
6. Andrew Dale was terminated on 8 September 2017.
7. Megan Boston was appointed as Chief Executive Officer on 11 September 2017 and terminated on 12 April 2018. The termination payments to Megan were paid post year end.
8. Justin Mouchacca resigned as Company Secretary on 4 April 2018.
9. Robert Lees was appointed as Company Secretary on 12 April 2018 and resigned on 4 December 2018 before Nicki Farley was appointed as Company Secretary on 4 December 2018.
10. Adam Sierakowski was appointed as Non-Executive Director on 8 June 2018.

\$94,513 is payable as at 30 June 2018 from the remuneration to the Directors accrued during the year.

***Share-based compensation***

*Issue of shares*

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

*Options*

There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2019.

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

***Additional disclosures relating to key management personnel***

*Shareholding*

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Resignations / Appointments	Balance at the end of the year
<i>Ordinary shares</i>					
Paul Steele	12,585,090	-	-	(12,585,090)	-
Adam Sierakowski	38,925,005	-	-	-	38,925,005
John Gilfillan	-	-	-	4,250,000	4,250,000
	<u>51,510,095</u>	<u>-</u>	<u>-</u>	<u>(8,335,090)</u>	<u>43,175,005</u>

- (a) Paul Steele resigned as Executive Chairman on 30 November 2018 and resignation amounts relate to shares held as at the date of resignation.
- (b) John Gilfillan was appointed as a Non-executive Director on 30 November 2018.

**Rision Limited**  
**Directors' report**  
**30 June 2019**

*Option holding*

No options over ordinary shares in the company were held during the financial year by the Directors and other members of key management.

**Transactions with related parties:**

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

The following transactions occurred with related parties and Key Management Personnel:

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Payment for goods and services:</b>		
Price Sierakowski is a legal firm that is related to Mr Adam Sierakowski. During the year they provided legal services to Rision Limited.	47,957	1,003
Benefit Capital which is related to Paul Steele provide IT Consulting services to Rision Limited	-	10,000
FAL Lawyer is a legal firm that is related to Peter Francis which provided legal services to Rision Limited during the year.	-	6,065
<b>Payment for other expenses:</b>		
Trade and other payable	-	6,065
Legal fees payable to Price Sierakowski	6,380	-
Corporate advisory fees payable to Trident Corporate	10,000	

***This concludes the remuneration report, which has been audited.***

**Shares under option**

There were no unissued ordinary shares of Rision Limited under option outstanding at the date of this report.

**Shares issued on the exercise of options**

There were no ordinary shares of Rision Limited issued on the exercise of options during the year ended 30 June 2019 and up to the date of this report.

**Indemnity and insurance of officers**

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

During the financial year, the Company did not pay a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001.

**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.

**Rision Limited**  
**Directors' report**  
**30 June 2019**

**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**

There were no non-audit services provided during the financial year by the auditor.

**Officers of the company who are former partners of BDO Audit (WA) Pty Ltd**

There are no officers of the company who are former partners of BDO Audit (WA) Pty Ltd.

**Auditor's independence declaration**

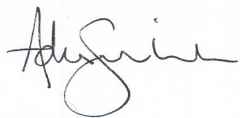
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

**Auditor**

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors



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Adam Sierakowski  
Non-Executive Chairman

21 February 2020



# DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF RISION LIMITED

As lead auditor of Rision Limited for the year ended 30 June 2019, 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.

This declaration is in respect of Rision Limited and the entities it controlled during the period.



Neil Smith  
Director

BDO Audit (WA) Pty Ltd  
Perth, 21 February 2020

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

	<b>Note</b>	<b>Consolidated 2019 \$</b>	<b>2018 \$</b>
<b>Revenue</b>	5	-	48,741
Other income	6	9	23,499
<b>Expenses</b>			
Employee benefits expense		(111,499)	(927,318)
Depreciation and amortisation expense		(3,443)	(256,654)
Impairment of assets	13	-	(629,832)
Software research and development		(1,308)	(37,610)
Consulting and professional fees		(26,000)	(73,906)
Finance costs		(487)	(147,898)
Administration		(300,119)	(594,212)
<b>Loss before income tax expense</b>		(442,847)	(2,595,190)
Income tax expense	7	-	-
<b>Loss after income tax expense for the year attributable to the owners of Rision Limited</b>		(442,847)	(2,595,190)
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the owners of Rision Limited</b>		<u>(442,847)</u>	<u>(2,595,190)</u>
		<b>Cents</b>	<b>Cents</b>
Basic loss per share	30	(0.03)	(0.21)
Diluted loss per share	30	(0.03)	(0.21)

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

**Rision Limited**  
**Statement of financial position**  
**As at 30 June 2019**

	<b>Note</b>	<b>Consolidated 2019 \$</b>	<b>2018 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	44,839	26,976
Trade and other receivables	9	22,449	48,474
Other	10	11,975	-
Asset held for sale	11	-	20,000
Total current assets		<u>79,263</u>	<u>95,450</u>
<b>Non-current assets</b>			
Property, plant and equipment	12	-	3,443
Total non-current assets		<u>-</u>	<u>3,443</u>
<b>Total assets</b>		<u>79,263</u>	<u>98,893</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	438,046	504,829
Borrowings	15	690,000	200,000
Total current liabilities		<u>1,128,046</u>	<u>704,829</u>
<b>Total liabilities</b>		<u>1,128,046</u>	<u>704,829</u>
<b>Net liabilities</b>		<u>(1,048,783)</u>	<u>(605,936)</u>
<b>Equity</b>			
Issued capital	16	11,686,848	11,686,848
Reserves	17	-	603,934
Accumulated losses		<u>(12,735,631)</u>	<u>(12,896,718)</u>
<b>Total deficiency in equity</b>		<u>(1,048,783)</u>	<u>(605,936)</u>

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

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

	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Retained profits \$</b>	<b>Total deficiency in equity \$</b>
<b>Consolidated</b>				
Balance at 1 July 2017	10,782,343	603,934	(10,301,528)	1,084,749
Loss after income tax expense for the year	-	-	(2,595,190)	(2,595,190)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(2,595,190)	(2,595,190)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of fully paid ordinary shares	976,663	-	-	976,663
Capital raising costs	(72,158)	-	-	(72,158)
Balance at 30 June 2018	<u>11,686,848</u>	<u>603,934</u>	<u>(12,896,718)</u>	<u>(605,936)</u>
	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Retained profits \$</b>	<b>Total deficiency in equity \$</b>
<b>Consolidated</b>				
Balance at 1 July 2018	11,686,848	603,934	(12,896,718)	(605,936)
Loss after income tax expense for the year	-	-	(442,847)	(442,847)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(442,847)	(442,847)
<i>Transactions with owners in their capacity as owners:</i>				
Expiry of share options	-	(603,934)	603,934	-
Balance at 30 June 2019	<u>11,686,848</u>	<u>-</u>	<u>(12,735,631)</u>	<u>(1,048,783)</u>

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

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

	<b>Note</b>	<b>Consolidated 2019 \$</b>	<b>2018 \$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		4,916	142,007
Payments to suppliers (inclusive of GST)		(497,062)	(1,726,158)
Interest received		9	299
Other income		-	23,200
		<hr/>	<hr/>
Net cash used in operating activities	29	(492,137)	(1,560,652)
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	12	-	(1,678)
Proceeds from sale of rostercloud platform		20,000	-
		<hr/>	<hr/>
Net cash from/(used in) investing activities		20,000	(1,678)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	16	-	976,663
Payments for share issue costs		-	(72,158)
Proceeds from borrowings		-	200,000
Proceeds from issue of convertible notes		690,000	750,000
Repayment of of convertible notes		-	(750,000)
Repayment of borrowings		(200,000)	-
		<hr/>	<hr/>
Net cash from financing activities		490,000	1,104,505
Net increase/(decrease) in cash and cash equivalents		17,863	(457,825)
Cash and cash equivalents at the beginning of the financial year		26,976	487,171
Effects of exchange rate changes on cash and cash equivalents		-	(2,370)
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	8	<u>44,839</u>	<u>26,976</u>

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

**Note 1. General information**

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

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

<b>Registered office</b>	<b>Principal place of business</b>
Level 24 44 St Georges Terrace Perth WA 6000	Level 24 44 St Georges Terrace Perth WA 6000

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 21 February 2020. The Directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

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

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

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

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

*AASB 9 Financial Instruments*

The consolidated entity has adopted AASB 9 from 1 January 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

*AASB 9 Financial Instruments - Impact of Adoption*

AASB 9 replaces the provisions of AASB 139 *Financial Instruments* that relate to the recognitions, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of AASB 9 from 1 July 2018 resulted in no material changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Company assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate AASB 9 categories.

There was no impact on the amounts recognised in the financial statements as a result of adoption.

**Note 2. Significant accounting policies (continued)**

*AASB 15 Revenue from Contracts with Customers*

The consolidated entity has adopted AASB 15 from 1 January 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

*AASB 15 Revenue from Contracts with Customers - Impact of Adoption*

The Group has adopted AASB 15 from 1 July 2018 which has no material impact to the amounts recognised in the financial statements.

**Going concern**

As at 30 June 2019, the financial position of the consolidated entity as disclosed in the financial statements reflects a net current liabilities position of \$1,048,783 and a net liabilities position of \$1,048,783. These balances have been determined after the consolidated entity incurred a consolidated net loss from continuing operations for the year of \$442,847, and a net cash outflow from operating activities of \$492,137.

The Company's securities have been suspended from trading on ASX since 17 April 2018.

In common with many entities in the technology sector, the consolidated entity's operations are subject to an element of risk due to the nature of the development and commercialisation of its product portfolio being undertaken. A part of this risk relates to funding of the consolidated entity's activities and related issues including the conditions prevailing in the local and international financial markets. In the context of this operating environment, the consolidated entity may need to raise additional capital in order to carry out its operational activities. The existence of these conditions indicates a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern.

Notwithstanding the above the financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity, the realisation of assets, settlement of liabilities through the normal course of business including the presumption that sufficient funds will be available to finance the operations of the consolidated entity. In adopting this position, the Directors have had regard to the following:

- The Group has a recent proven history of successfully raising capital funds. During the financial year, the Company raised \$690,000 through loan funding with a further \$233,000 raised subsequent to the end of the financial year. Subject to shareholders approval, loans may be converted to fully paid ordinary shares.
- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities;
- The Group's is constantly undergoing restructuring changes to reduce monthly cash burn where possible;
- The Group believes they can raise additional funding through debt or equity which is actively pursued;
- Continued financial support from the Group's directors through a letter of financial support of \$350,000; and
- The Company is in negotiation with parties in relation to a potential acquisition which if finalised, will allow the Company to raise further capital.

Should the entity 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 and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern and meet its debts as and when they become due and payable

The Directors are reviewing new opportunities and will continue with the consolidated entity's operations on the basis as outlined above, and believe there will be sufficient access to funds for the Group to meet its obligations and liabilities for at least twelve months from the date of this report.

**Note 2. Significant accounting policies (continued)**

**Basis of preparation**

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

*Historical cost convention*

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

*Critical accounting estimates and judgements*

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

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

**Principles of consolidation**

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

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

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

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

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

**Foreign currency translation**

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

*Foreign currency transactions*

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



**Note 2. Significant accounting policies (continued)**

*Foreign operations*

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

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

**Operating segments**

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

**Income tax**

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

**Current and non-current classification**

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

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

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

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

**Note 2. Significant accounting policies (continued)**

**Non-current assets or disposal groups classified as held for sale**

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

*Convertible Note at Fair Value through Profit and Loss*

Convertible Notes issued by the Company comprise convertible notes that can be converted to share capital and convertible note embedded derivatives whose fair value changes with the Company's underlying share price.

The embedded derivative component of a convertible note is recognised initially at the fair value of a similar liability that does not have an equity conversion option. Subsequent to initial recognition, the fair value of the embedded derivative is valued using valuation techniques that include reference to the company's underlying share price at reporting date and/or at conversion date. The convertible note derivative is measured at fair value through profit or loss.

The convertible note derivative liability is removed from the Statement of Financial Position when the obligations specified in the Contract are discharged. This can occur at maturity date, when the convertible notes convert to equity. Convertible Note Derivative Liabilities are classified as current or non-current based on the maturity date of the convertible note.

*Fair values of convertible note derivatives*

On initial recognition, at reporting date and/or at conversion date, the fair value of the convertible note derivative has been determined by reference to the company's underlying share price at relevant dates.

**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.

**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.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

**Note 2. Significant accounting policies (continued)**

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

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

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

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

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

**AASB 16 Leases**

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 January 2019. The standard will affect primarily the accounting for the Group's operating leases. Refer to note 24 for the commitments as at 30 June 2018. Management does not expect the adopting of this accounting standard will have a material impact on the Group's financial performance.

### **Note 3. Critical accounting judgements, estimates and assumptions**

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

#### *Fair value measurement hierarchy*

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

### **Note 4. Operating segments**

#### *Identification of reportable operating segments*

The consolidated entity is organised into one operating segment focused on reviewing new business opportunities and its team planning and analytics platform, helping businesses manage and support their employees.

### **Note 5. Revenue**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Sales	-	48,741

#### *Accounting policy for revenue recognition*

The consolidated entity recognises revenue as follows:

#### *Revenue from contracts with customers*

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

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

#### *Sale of goods*

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

**Note 5. Revenue (continued)**

*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.

*Other revenue*

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

**Note 6. Other income**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Interest	9	299
Other income	-	23,200
	<hr/>	<hr/>
Other income	<u>9</u>	<u>23,499</u>

*Interest*

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

**Note 7. Income tax expense**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(442,847)	(2,595,190)
	<hr/>	<hr/>
Tax at the statutory tax rate of 27.5%	(121,783)	(713,677)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-allowable items	-	8
Impairment of assets	-	173,204
Temporary differences and losses not recognised	-	(58,500)
Current year tax losses not recognised (Aus)	121,783	598,965
	<hr/>	<hr/>
Income tax expense	<u>-</u>	<u>-</u>

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised (Australia) - Current year	18,035,731	17,592,884
	<hr/>	<hr/>
Potential tax benefit @ 27.5%	<u>4,959,826</u>	<u>4,838,043</u>

**Note 7. Income tax expense (continued)**

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

**Note 8. Current assets - cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	44,839	26,976

*Accounting policy for cash and cash equivalents*

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

**Note 9. Current assets - trade and other receivables**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	-	5,297
Other receivables	22,449	43,177
	22,449	48,474

*Accounting policy for trade and other receivables*

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

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

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

**Note 10. Current assets - other**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Deposits paid	11,975	-

**Note 11. Current assets - Asset held for sale**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Rostercloud	-	20,000
	<u>-</u>	<u>20,000</u>

During the financial year, the Company sold its Rostercloud platform for \$20,000.

**Note 12. Non-current assets - property, plant and equipment**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Computer equipment - at cost	20,000	20,000
Less: Amortisation	(20,000)	(16,557)
	<u>-</u>	<u>3,443</u>
Office equipment - at cost	1,170	1,170
Less: Amortisation	(1,170)	(1,170)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>3,443</u>

**Reconciliations**

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

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Beginning balance	3,443	8,684
Additions	-	1,678
impairment of assets	-	(6,919)
Depreciation	(3,443)	-
Ending balance	<u>-</u>	<u>3,443</u>

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

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

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

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

**Note 13. Non-current assets - intangibles**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Research and development expenditure	249,735	899,567
Amortisation	(249,735)	(249,735)
Impairment -Rostercloud	-	(84,000)
Impairment -Research and development expenditure	-	(545,832)
Rostercloud- classified as held for sale asset	-	(20,000)
	<u>-</u>	<u>-</u>

During 2018 financial year, management assessed a low commercial viability from the provision of SaaS services from its Rision and Rostercloud platforms due to the stiff competition and technological obsolescence. As at 30 June 2018, the consolidated entity provided the impairment charge on its Rision and Rostercloud platforms to the extent not recoverable from its disposal.

*Accounting policy for intangible assets*

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

*Research and development*

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

**Note 14. Current liabilities - trade and other payables**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Trade payables	351,735	341,187
Other payables	86,311	163,642
	<u>438,046</u>	<u>504,829</u>

Refer to note 19 for further information on financial instruments.

*Accounting policy for trade and other payables*

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



**Note 15. Current liabilities - borrowings**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Loan - Chapmans Limited	-	200,000
Unsecured convertible notes	690,000	-
	<u>690,000</u>	<u>-</u>
	<u><u>690,000</u></u>	<u><u>200,000</u></u>

During the financial year, the loan from Chapmans Limited was settled in full.

During the previous financial year, the Company issued unsecured convertible notes with a face value of \$750,000, as part of a capital raising exercise. During the year the Company converted 70,000 convertible notes into fully paid ordinary shares (refer to note 17 below). The remaining 517,925 convertible notes were redeemed during the previous financial year and repayment was made to the financier.

During the financial year the Company raised funding through unsecured convertible notes with a maturity date of 12 months from the date of funds being received. The loans are to be repaid through the issue of fully paid ordinary shares at an issue price of \$0.02 (2 cents) per share following receipt of shareholder approval. As at the end of the end of the financial year the fair value of the convertible notes have been accounted for at the loan amounts received.

Refer to note 19 for further information on financial instruments.

Below is a reconciliation of the Convertible Notes issued during the current and previous financial year:

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Proceeds from issue of convertible notes	690,000	750,000
Interest and other finance costs	-	(45,000)
Settlement of convertible notes through issue of shares	-	(100,294)
Repayment of convertible notes	-	(604,706)
	<u>690,000</u>	<u>-</u>
	<u><u>690,000</u></u>	<u><u>-</u></u>

*Accounting policy for borrowings*

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

**Note 16. Equity - issued capital**

	<b>2019 Shares</b>	<b>Consolidated 2018 Shares</b>	<b>2019 \$</b>	<b>2018 \$</b>
Ordinary shares - fully paid	<u>1,382,545,960</u>	<u>1,382,545,960</u>	<u>11,686,848</u>	<u>11,686,848</u>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2017	1,097,599,735		10,782,343
Opening balance adjustment	1 July 2017	(338)	-	-
Conversion of 50,000 convertible notes	15 November 2017	12,032,932	\$0.595	71,596
Conversion of 20,000 convertible notes	17 January 2018	8,440,633	\$0.003	28,698
Issue of fully paid ordinary shares	6 February 2018	153,872,999	\$0.003	461,619
Issue of fully paid ordinary shares	8 February 2018	110,599,999	\$0.00375	414,750
Capital raising costs		-	-	(72,158)
Balance	30 June 2018	<u>1,382,545,960</u>		<u>11,686,848</u>
Balance	30 June 2019	<u>1,382,545,960</u>		<u>11,686,848</u>

*Ordinary shares*

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

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

*Capital risk management*

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

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

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

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

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.

The capital risk management policy remains unchanged from the 2017 Annual Report.

*Accounting policy for 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.

**Note 17. Equity - reserves**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Share-based payments reserve	<u>-</u>	<u>603,934</u>

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

*Movements in reserves*

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

<b>Consolidated</b>	Share-based payments reserve \$	Total \$
Balance at 1 July 2017	603,934	603,934
Balance at 30 June 2018	603,934	603,934
Expiry of options	(603,934)	(603,934)
Balance at 30 June 2019	<u>-</u>	<u>-</u>

**Note 18. Equity - dividends**

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

**Note 19. Financial instruments**

***Financial risk management objectives***

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out 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.

***Market risk***

*Foreign currency risk*

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

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

*Price risk*

The consolidated entity is not exposed to any significant price risk.

**Note 19. Financial instruments (continued)**

***Credit risk***

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

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

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

***Liquidity risk***

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

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

***Remaining contractual maturities***

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

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2019</b>						
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-	438,046	-	-	-	438,046
Borrowings	-	690,000	-	-	-	690,000
Total non-derivatives		1,128,046	-	-	-	1,128,046
	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2018</b>						
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-	504,829	-	-	-	504,829
Borrowings	-	200,000	-	-	-	200,000
Total non-derivatives		704,829	-	-	-	704,829

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

***Fair value of financial instruments***

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

**Note 20. Fair value measurement**

*Accounting policy for fair value measurement*

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

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

**Note 21. Key management personnel disclosures**

*Directors*

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

Mr Adam Sierakowski	Non- executive Director (appointed 8 June 2018), Non- Executive Director (appointed 30 November 2018)
Mr Sean McCormick	Non-executive Director (appointed 30 November 2018)
Mr John Gilfillan	Non-executive Director (appointed 30 November 2018)
Paul Steele	Executive Chairman (appointed 12 April 2018, resigned 23 May 2018, reappointed 8 June 2018 and resigned 30 November 2018)
Chris Wilson	Non-executive Director (appointed 12 April 2018, resigned 30 November 2018)

*Compensation*

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

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	128,000	569,101
Post-employment benefits	-	18,074
	<u>128,000</u>	<u>587,175</u>

**Note 22. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by , the auditor of the Company, and its network firms:

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services -</i>		
Audit or review of the financial statements	<u>35,000</u>	<u>45,669</u>
<i>Other services - network firms</i>		
Preparation of the tax return	-	17,927
Independent experts reports	<u>5,100</u>	<u>-</u>
	<u>5,100</u>	<u>17,927</u>

**Note 23. Contingent liabilities**

The Directors are not aware of any contingent liabilities that arise from the Group's operations as at 30 June 2019.

**Note 24. Commitments**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	45,575

Operating lease commitments includes contracted amounts for the Consolidated Entity's offices under non-cancellable operating leases expiring within 2 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Company terminated its lease during the financial year.

**Note 25. Related party transactions**

*Parent entity*

Rision Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 27.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the Directors' report.

*Transactions with related parties*

The following transactions occurred with related parties:

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Payment for goods and services:		
Payment for legal services from Price Sierakowski	47,957	1,003
Payment for consulting services from Benefit Capital	-	10,000
Payment for legal services from FAL Lawyers	-	6,065
Payment for other expenses:		
Trade and other payable	-	6,065
Legal fees payable to Price Sierakowski	6,380	-
Corporate advisory fees payable to Trident Capital	10,000	

**Note 25. Related party transactions (continued)**

Price Sierakowski is a firm that provides legal services to its clients. It is related to Mr Adam Sierakowski who is a Director of Rision, and through this association is a related party. He was reappointed as the Director of the Company during the previous financial year on 14 June 2018.

Trident Capital is a firm that provides corporate advisory services to its clients. It is related to Mr Adam Sierakowski who is a Director of Rision, and through this association is a related party.

Benefit Capital is related to former Director Paul Steele who provided consulting services to the Company and through this association, is a related party. During 2018, Paul again served as the Director of the Company during periods from 12 April 2018 to 23 May 2018 and 14 June 2018 to 4 December 2018.

FAL Lawyers is a firm that provides legal services to its clients. It is related to Mr Peter Francis who is a former Director of Rision, and through this association is a related party.

All services provided above were provided at arm's length.

*Loans to/from related parties*

The following balances are outstanding at the reporting date in relation to loans with related parties:

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Current borrowings:		
Loans from entities associated with Mr Adam Sierakowski	50,000	-
Loans from entities associated with Mr John Gilfillan	25,000	-

*Terms and conditions*

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

**Note 26. Parent entity information**

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

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax	<u>(348,830)</u>	<u>(950,883)</u>
Total comprehensive income	<u>(348,830)</u>	<u>(950,883)</u>

**Rision Limited**  
**Notes to the financial statements**  
**30 June 2019**

**Note 26. Parent entity information (continued)**

*Statement of financial position*

	<b>Parent</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Total current assets	64,220	1,540,110
Total assets	64,220	1,540,110
Total current liabilities	982,754	501,954
Total liabilities	982,754	501,954
Equity		
Issued capital	10,058,660	10,058,660
Share-based payments reserve	-	606,304
Accumulated losses	(10,977,194)	(9,626,808)
Total equity	(918,534)	1,038,156

**Note 27. Interests in subsidiaries**

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

<b>Name</b>	<b>Principal place of business / Country of incorporation</b>	<b>Ownership interest</b>	
		<b>2019</b>	<b>2018</b>
		<b>%</b>	<b>%</b>
Rision Holdings	Australia	100.00%	100.00%
Rision Inc*	United States	100.00%	100.00%
Rision Australia Pty Limited	Australia	100.00%	100.00%

**\*Balances included in the consolidated financial statements:**

	<b>30 June 2019</b>	<b>30 June 2018</b>
	<b>\$</b>	<b>\$</b>
Total assets	-	1,735
Total liabilities	-	12,722
Net Liability	-	10,987
<b>Equity</b>	<b>-</b>	<b>10,987</b>

Rision Limited holds 100% of Rision Inc a subsidiary registered in the Delaware, United States of America. To the best of the Company's knowledge Rision Inc has not traded for a number of years. The entity was originally incorporated to commercialise Rision's products in North America and there has not been any progress made as at the date of this report.



**Note 27. Interests in subsidiaries (continued)**

**Incomplete books and records**

The Directors have not been able to obtain access to all the books and accounting records of its subsidiary Rision Inc. The directors believe that these balances are not material to the Group as the company has had limited business activity.

These financial statements do not contain all the required information or disclosures in relation to the subsidiary due to a lack of books and records maintained in relation to the subsidiary.

As a result, the current balance of the subsidiary is recorded as a net liability value of nil in the consolidated financial statements of the Group at 30 June 2019. There is no plan to conduct business in the subsidiary, which will be de-registered in due course.

**Note 28. Events after the reporting period**

Subsequent to the end of the financial year and between July 2019 and February 2020 the company raised \$233,000 through loan funding.

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

**Note 29. Reconciliation of loss after income tax to net cash used in operating activities**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax expense for the year	(442,847)	(2,595,190)
Adjustments for:		
Depreciation and amortisation	3,443	256,655
Impairment of intangibles	-	629,831
Change in operating assets and liabilities:		
Decrease in trade and other receivables	21,268	116,943
Decrease in prepayments	22,899	13,975
Increase/(decrease) in trade and other payables	(96,900)	36,944
Decrease in employee benefits	-	(19,810)
Net cash used in operating activities	<u>(492,137)</u>	<u>(1,560,652)</u>

**Note 30. Loss per share**

	<b>Consolidated</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Rision Limited	<u>(442,847)</u>	<u>(2,595,190)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,382,545,960</u>	<u>1,213,371,783</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,382,545,960</u>	<u>1,213,371,783</u>

**Note 30. Earnings per share (continued)**

	Cents	Cents
Basic loss per share	(0.03)	(0.21)
Diluted loss per share	(0.03)	(0.21)

*Accounting policy for earnings per share*

*Basic earnings per share*

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

*Diluted earnings per share*

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

**Note 31. Share-based payments**

On 12 February 2016, 60,000,000 share options were granted to Directors and Employees to take up ordinary shares at an exercise price of \$0.02 (2 cents) per option.

These options vest over a two year period with a percentage of Employee options vesting on 1 June 2016. Vesting subsequent to grant date is not subject to any conditions or performance criteria. The options hold no voting or dividend rights.

The options expired during the current financial year and the share based payment expense previously recognised has been recycled through retained earnings.

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

**2019**

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
12/02/2016	29/01/2019	\$0.000	60,000,000	-	-	(60,000,000)	-
			60,000,000	-	-	(60,000,000)	-

**2018**

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
12/02/2016	29/01/2019	\$0.020	60,000,000	-	-	-	60,000,000
			60,000,000	-	-	-	60,000,000

The above options are no longer on issue as at the date of this report.

*Accounting policy for 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.

**Note 31. Share-based payments (continued)**

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

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

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

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

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

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

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

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

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

**Rision Limited**  
**Directors' declaration**  
**30 June 2019**

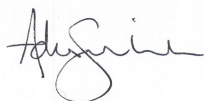
In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors



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Adam Sierakowski  
Non-Executive Chairman

21 February 2020

## INDEPENDENT AUDITOR'S REPORT

To the members of Rision Limited

### Report on the Audit of the Financial Report

#### Qualified opinion

We have audited the financial report of Rision Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying financial report of Rision Limited, is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

#### Basis for qualified opinion

##### Comparatives

Attention is drawn to the comparative figures in the consolidated statement of financial position as at 30 June 2018. As disclosed in Note 27 to the financial report, the Company held an investment in subsidiary Rision Inc which was carried at a net liability value of \$10,987 included in the consolidated statement of financial position for the year ended 30 June 2018. The Directors were unable to obtain access to the financial records of Rision Inc and therefore we were unable to obtain access to the complete books and financial records of the subsidiary. As a result, this caused us to qualify our audit opinion on the financial report for the year ended 30 June 2018.

##### Current year 30 June 2019

As disclosed in Note 27 to the financial report, the Company held an investment in subsidiary Rision Inc which was carried at a nil net liability value in the consolidated statement of financial position at 30 June 2019 and nil profit/loss included in the consolidated statement of profit or loss for the year ended 30 June 2019. As a result of the matters outlined in the comparatives paragraph above, we have not been able to obtain sufficient appropriate evidence to determine whether any adjustments to these amounts were necessary. Our audit opinion has been modified accordingly.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the 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 Group, 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 qualified opinion.

#### Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for qualified opinion and the Material uncertainty related to going concern section, we have determined that there are no key audit matters to be communicated in our report.

#### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

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

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

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

#### Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has 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 (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf)

This description forms part of our auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 11 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Rision Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

### Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd



Neil Smith

Director

Perth, 21 February 2020

**Rision Limited**  
**Shareholder information**  
**30 June 2019**

The shareholder information set out below was applicable as at 23 January 2020.

**Distribution of equitable securities**

Analysis of number of equitable security holders by size of holding:

	Number of Shareholders	% of issued capital	Number of Shares
1 to 1,000	1,230	0.02	211,336
1,001 to 5,000	223	0.03	476,621
5,001 to 10,000	37	0.02	301,260
10,001 to 100,000	175	0.71	9,787,214
100,001 and over	592	99.22	1,371,769,529
	<b>2,257</b>	<b>100</b>	<b>1,382,545,960</b>
Holding less than a marketable parcel	<b>1,732</b>	<b>-</b>	<b>19,727,450</b>

**Equity security holders**

*Twenty largest quoted equity security holders*

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares % of total shares issued
Number held	
Pebtilly Pty Ltd	84,237,346 6.09
N J D Consulting Pty Ltd	80,000,000 5.79
Harech Pty Ltd (Porter Super Fund A/C)	50,000,000 3.62
Peters Investments Pty Ltd	40,000,000 2.89
Mr Robert John Day & Mr Philip John Day (Pebtilly Super Fund A/C)	38,000,000 2.75
Dr Philip James Currie & Mrs Anne Jennifer Currie (Currie Family Superfund A/C)	30,000,000 2.17
T & H Corby Pty Ltd	26,996,625 1.95
Chris and Diane Graham (C & D Graham S/F A/C)	26,650,000 1.93
Scintilla Strategic Investments Limited	23,696,102 1.71
Numeruno Superannuation Fund Pty Ltd (Numeruno Super Fund A/C)	20,000,000 1.45
Apex Private Wealth Pty Ltd (Reprah Family A/C)	18,972,628 1.37
Mr John Roger Crosby & Mrs Mary Josephine Fisher (Crosby Family S/Fund A/C)	18,243,023 1.32
Aegean Capital Pty Ltd (The Spartacus A/C)	18,166,667 1.31
Dr Philip James Currie & Mrs Anne Jennifer Currie (Currie Family Superfund A/C)	17,000,000 1.23
Adam Sierakowski	16,500,000 1.19
Sash Pty Ltd (The Knezevic Super Fund A/C)	16,000,000 1.16
Trident Capital Pty Ltd	15,425,000 1.12
Emery Number 2 Pty Ltd (Scott Emery Family No 2 A/C)	13,333,333 0.96
Mr Eric William Tucker & Mrs Kaye Lynette Tucker	12,750,000 0.92
Kebin Nominees Pty Ltd	12,039,667 0.87
	<b>578,010,391 41.80</b>

*Unquoted equity securities*

There are no unquoted equity securities.



**Rision Limited**  
**Shareholder information**  
**30 June 2019**

**Substantial holders**

Substantial holders in the Company are set out below:

	<b>Ordinary shares</b>	
	<b>Number held</b>	<b>% of total shares issued</b>
Pebtilly Pty Ltd	84,237,346	6.09
N J D Consulting Pty Ltd	80,000,000	5.79

**Options**

As at the date of this report there were nil options on issue in the Company.

**Voting rights**

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*On Market Buy-Back*

There is no current on market buy-back for any of the Company's securities

**Restricted securities**

There are currently no restricted securities on issue.